

# MAINE STATE LEGISLATURE

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**STATE OF MAINE  
115TH LEGISLATURE**

**FIRST REGULAR SESSION  
AND  
FIRST SPECIAL SESSION**

**BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
BANKING AND INSURANCE**

**AUGUST 1991**

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**ONE HUNDRED AND FIFTEENTH LEGISLATURE  
FIRST REGULAR SESSION  
AND  
FIRST SPECIAL SESSION  
JOINT STANDING COMMITTEE  
BILL SUMMARIES  
AUGUST 1991**

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The volume is organized alphabetically by committee; within each committee, the summaries are arranged by LD number. A subject index is provided at the beginning of each committee's summaries.

All adopted amendments are listed, by paper number (e.g., H - 584 or S - 222), together with the sponsor for floor amendments. Final action on each bill is listed to the right of the title. Various types of final action are abbreviated as follows:

|                                   |   |
|-----------------------------------|---|
| <b>PUBLIC XXX</b>                 | <i>Chapter # of enacted Public Law</i>                              |
| <b>P&amp;S XXX</b>                | <i>Chapter # of enacted Private &amp; Special Law</i>               |
| <b>RESOLVE XXX</b>                | <i>Chapter # of enacted Resolve</i>                                 |
| <b>CON RES XXX</b>                | <i>Chapter # of Constitutional Resolution passed by both Houses</i> |
| <b>EMERGENCY</b>                  | <i>Enacted law takes effect sooner than 90 days</i>                 |
| <b>CARRIED OVER</b>               | <i>Bill carried over to 2nd Session</i>                             |
| <b>FAILED EMERGENCY ENACTMENT</b> | <i>Bill failed to get 2/3 vote</i>                                  |
| <b>ONTP</b>                       | <i>Ought Not to Pass report accepted</i>                            |
| <b>LVWD</b>                       | <i>Leave to Withdraw report accepted</i>                            |
| <b>INDEF PP</b>                   | <i>Bill Indefinitely Postponed</i>                                  |
| <b>DIED BETWEEN BODIES</b>        | <i>House &amp; Senate disagree; bill died</i>                       |
| <b>VETO SUSTAINED</b>             | <i>Legislature failed to override Governor's Veto</i>               |
| <b>UNSIGNED</b>                   | <i>Not signed by Governor within 10 days</i>                        |
| <b>DIED ON ADJOURNMENT</b>        | <i>Action incomplete when 1st session ended</i>                     |

These summaries were prepared by the analyst or analysts assigned to the committee. But, this document was produced by the efforts of all the office staff, including secretaries: Charlene Raymond and Valarie Parlin, and especially Laurette Knox who coordinated preparation of the overall document.

If you have any suggestions or comments on these summaries, please let us know.

Committee Amendment "A" (H-408) deletes the text of the bill creating the Maine Health Insurance Assistance Program and extends the sunset date for the law concerning rating practices in group health insurance from October 1, 1991 to October 1, 1992.

**LD 1527      An Act to Require Health Insurance to Honor Patient Assignment Requests      ONTP**

| SPONSOR(S)                 | COMMITTEE REPORT | AMENDMENTS ADOPTED |
|----------------------------|------------------|--------------------|
| BALDACCI<br>PINES<br>BRAWN | ONTP             |                    |

**SUMMARY**

This bill requires health insurance companies, preferred provider organizations and health maintenance organizations to honor signed assignment of benefits by insureds and enrollees.

**LD 1533      An Act to Regulate Uninsured and Underinsured Motor Vehicle Liability Insurance      ONTP**

| SPONSOR(S) | COMMITTEE REPORT | AMENDMENTS ADOPTED |
|------------|------------------|--------------------|
| VOSE       | ONTP             |                    |

**SUMMARY**

This bill requires that motor vehicle liability insurers offer uninsured and underinsured liability coverage at the limits of the coverage provided for bodily injury liability and not the minimums required by law. Under current law, liability insurers are not required to offer or sell uninsured motorist coverage equivalent to the insured bodily liability coverage. This bill requires insurance carriers to at least make the motorist aware that the motorist is entitled to uninsured motorist coverage at a level equivalent to the liability insurance being purchased by the insured.

**LD 1553      An Act to Provide Equitable Insurance Coverage for Mental Illness      CARRIED OVER**

| SPONSOR(S)                 | COMMITTEE REPORT | AMENDMENTS ADOPTED |
|----------------------------|------------------|--------------------|
| DORE<br>HOGGLUND<br>MAHANY |                  |                    |

**SUMMARY**

This bill requires group health insurers to provide 80% coverage for certain outpatient and inpatient treatment for all policies or certificates executed, delivered, issued for delivery, continued or renewed on or after January 1, 1992.

This bill provides that certain biologically based severe mental disorders are covered in the same manner as any other biologically based diseases or disorders of the brain for the purposes of health insurance coverage. This ensures that insured persons with these severe disorders receive equitable insurance coverage in the same manner as coverage is provided, for example, to persons with liver diseases, lung diseases and hepatitis.