

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:

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

of the Joint Standing Committee on Banking and Insurance plus 3 adjunct members appointed by the President of the Senate and the Speaker of the House of Representatives. The report date of February 1, 1992 is changed to January 1, 1992. Funding is altered by the addition of \$80,000 in grant money for which an application will be made to the Robert Wood Johnson Foundation.

Senate Amendment "B" (S-424) changes the focus of the study from "the establishment" of a statewide health insurance program to the "feasibility" of a statewide health insurance program from "how" universal coverage "may" be obtained to "whether" universal coverage "should" be obtained. The amendment authorizes the Legislative Council to seek Robert Wood Johnson Foundation funding, allocates any funds which might be received, and appropriates \$13,920 for the study. The amendment changes the report dates to first meeting August 1, report to the Legislature by November 1 and implementing legislation by November 1, 1992.

LD 1730 An Act to Provide More Affordable Health Insurance for Small ONTP
Businesses

| SPONSOR(S) | COMMITTEE REPORT | AMENDMENTS ADOPTED |
|-------------------------------|------------------|--------------------|
| CARLETON BRAWN ANDERSON | ONTP | |

SUMMARY

This bill permits insurers and nonprofit health plans, like Blue Cross and Blue Shield, to develop a less costly managed care health plan specifically for the small employer market.

The plan permits a number of mandated benefits to be omitted from coverage. The plan is also designed to provide coverage for preventive care services to encourage covered persons to seek treatment at appropriate times before more costly acute care needs arise.

The bill requires insurers to renew basic care policies in most cases. Additionally, the bill requires significant disclosure that the plan does not provide coverage for certain providers and types of illness and that managed care features are included in the plan. (See LD 1721)

LD 1731 An Act to Provide for Funeral Service Life Insurance LV/WD

| SPONSOR(S) | COMMITTEE REPORT | AMENDMENTS ADOPTED |
|------------|------------------|--------------------|
| THERIAULT | LV/WD | |

SUMMARY

This bill requires the Superintendent of Insurance to establish the Funeral Service Life Insurance Advisory Board to assist the superintendent in the development of a written examination used for the licensing of a funeral service life insurance agent.

This bill also provides the authority for funeral service life insurance to be sold in the State by persons who are licensed for the practice of funeral service and qualify for funeral service life insurance agent licenses in accordance with the rules adopted by the superintendent. The funeral service life insurance contract is designed to meet the expenses of funeral services upon the death of the owner of the life insurance contract. The proceeds are payable to a person licensed to practice funeral service only for purposes of conducting funeral services as defined in the law. The superintendent may adopt rules to govern the conduct of persons licensed as funeral service life insurance agents.