

MAINE STATE LEGISLATURE

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*State Of Maine
121st Legislature*

First Regular Session

Bill Summaries

*Joint Standing Committee
on
Insurance and Financial Services*

July 2003

Members:

Sen. Lloyd P. LaFountain III, Chair

Sen. Neria R. Douglass

Sen. Arthur F. Mayo III

Rep. Christopher P. O'Neil, Chair

Rep. Marilyn E. Canavan

Rep. Joseph C. Perry

Rep. Bonita J. Breault

Rep. Anne C. Perry

Rep. Kevin J. Glynn

Rep. Florence T. Young

Rep. Lois A. Snowe-Mello

Rep. Michael A. Vaughan

Rep. Richard G. Woodbury

Staff:

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Maine State Legislature



Office Of Policy And Legal Analysis Office Of Fiscal And Program Review

121st Maine Legislature First Regular Session

Summary Of Legislation Before The Joint Standing Committees

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing and joint select committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills considered by the committees. It is arranged alphabetically by committee name and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

<i>CARRIED OVER PURSUANT TO HP 1212</i>	<i>Bills carried over to the 2nd Regular Session</i>
<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i>	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed</i>
<i>ONTP</i>	<i>Ought Not To Pass report accepted</i>
<i>OTP-ND</i>	<i>Committee report Ought To Pass In New Draft</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PASSED</i>	<i>Joint Order passed in both bodies</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

Please note that the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 13, 2003.

David C. Elliott, Director
Offices located in Room 215 of the Cross Office Building

Joint Standing Committee on Insurance and Financial Services

LD 20

An Act to Extend the Authority of the Health Care System and Health Security Board

PUBLIC 492

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM MAJ	H-113
	ONTP MIN	H-143 O'NEIL S-279 GAGNON

LD 20 proposed to extend the authority of the Health Care System and Health Security Board to continue its work and submit a final report by January 1, 2004. The bill requires that the board submit an interim report by January 15, 2003. The bill also would allow members appointed when they were Legislators to continue to serve until successors are appointed. The bill is retroactive to the date when the legislation creating the Health Care System and Health Security Board was first enacted.

Committee Amendment "A" (H-113) is the majority report of the committee. It proposed to allow the Health Care System and Health Security Board to continue its work and submit a final report on November 1, 2004. The amendment also proposed to add a 20th member to the board who represents the public and is appointed by the Speaker of the House of Representatives. The amendment also clarified that legislative members and members who are not otherwise compensated are entitled to the legislative per diem or reimbursement of expenses if funds are available. The amendment also proposed to prohibit the board from receiving funding from the General Fund for any purpose.

The amendment also added an allocation section to the bill.

House Amendment "A" (H-143) removes the emergency preamble and clause from the bill.

Senate Amendment "A" to Committee Amendment "A" (S-279) proposed to limit the board to 4 meetings after June 30, 2003, all of which must be held in the Augusta area. The bill also clarified the funding and compensation provisions and adjusted the allocation from Other Special Revenue Funds.

Enacted Law Summary

Public Law 2003, chapter 492 extends the authority of the Health Care System and Health Security Board to continue its work and submit a final report by November 1, 2004. The law also adds a 20th member to the board who represents the public and is appointed by the Speaker of the House of Representatives.

LD 64

An Act to Reduce Workers' Compensation Costs for Self-insured Public Utilities

PUBLIC 38

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEIL	OTP-AM	H-30

LD 64 proposed to allow a public utility to reduce its security for self-insuring its workers' compensation obligations in a manner similar to that used by other companies with working capital offsets.

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Committee Amendment "A" (H-30) replaced the bill. The amendment proposed to clarify that only a transmission and distribution utility may reduce its security for self-insuring its workers' compensation obligations by up to \$10,000,000 in a manner similar to that used by other self-insured companies. In order to qualify for the working capital offset, the transmission and distribution utility must have a tangible net worth of \$200,000,000 and an investment grade credit rating with available credit equal to twice its outstanding workers' compensation liabilities.

Enacted Law Summary

Public Law 2003, chapter 38 allows a transmission and distribution utility to reduce its security for self-insuring its workers' compensation obligations by up to \$10 million dollars, but not lower than \$100,000, in a manner similar to that used by other employers.

LD 125

An Act to Promote Fairness and Opportunity for Working Amputees

PUBLIC 459

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MAYO O'NEIL	OTP-AM	S-259

LD 125 proposed to require carriers to provide coverage for prosthetic devices in all health plans, except those providing supplemental coverage for a specific disease or other limited benefits. Benefits for coverage of prosthetic devices must be equal to those benefits provided under federal Medicare law. Currently, Medicare provides coverage for 80% of the actual charge or the amount recognized as the purchase price for the device, whichever is less. The requirements apply to all health plan policies issued or renewed on or after January 1, 2004.

Committee Amendment "A" (S-259) proposed to clarify that health coverage may not be provided for prosthetic devices that include microprocessing technology or that are designed exclusively for athletic purposes. The amendment also clarified that the enrollee's provider must determine whether the prosthetic device is medically necessary.

Enacted Law Summary

Public Law 2003, chapter 459 requires carriers to provide coverage for prosthetic devices in all health plans. Benefits for coverage of prosthetic devices must be equal to those benefits provided under federal Medicare law. Currently, Medicare provides coverage for 80% of the actual charge or the amount recognized as the purchase price for the device, whichever is less. Coverage is not required for prosthetic devices that include microprocessor technology or that are designed exclusively for athletic purposes.

The law applies to all health plan policies issued or renewed on or after January 1, 2004.