

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 487 **An Act To Amend the Maine Insurance Guaranty Association Act** **ONTP**

<u>Sponsor(s)</u> O'NEIL		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 487 proposed to clarify that the Maine Insurance Guaranty Association must pay covered claims for medical malpractice if those claims are brought within the statute of limitations for medical malpractice.

LD 488 **An Act To Reduce Administrative Expenses in Health Insurance** **ONTP**

<u>Sponsor(s)</u> O'NEIL		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 488 proposed to reduce administrative expenses for health care by requiring providers to submit forms electronically. Effective January 1, 2005, the bill prevents providers from collecting interest on late payments from insurers if the claim is not submitted electronically. The bill also would permit health maintenance organizations to refuse a claim not submitted on a form that the health maintenance organizations are required to accept.

A related provision was incorporated into Public Law 2003, chapter 469. See summary of LD 1611.

LD 492 **An Act To Encourage Agricultural Cooperative Associations To Provide Group Health Plans** **PUBLIC 309
EMERGENCY**

<u>Sponsor(s)</u> O'NEIL		<u>Committee Report</u> OTP-AM MAJ OTP-AM MIN		<u>Amendments Adopted</u> H-336
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LD 492 proposed to allow a group health plan sponsored by an agricultural cooperative association located outside of Maine that provides coverage to members of agricultural cooperative associations located within this State to employ an internal grievance procedure that meets the requirements of the state in which the plan's insurer is located as long as enrollees living in this State are provided with an independent external review of any adverse health care decision in accordance with the State's requirements.

Committee Amendment "A" (H-336) is the majority report of the committee. The amendment proposed to clarify that any differences in the grievance procedure requirements between this State and the state in which the group health plan is located must be limited to deadlines for notification of prior authorization of nonemergency services and decisions on appeals of adverse health care treatment decisions.

Committee Amendment "B" (H-337) is the minority report of the committee. Like the majority report, the amendment proposed to clarify that any differences in the grievance procedure requirements between this State and the state in which the group health plan is located must be limited to deadlines for notification of prior authorization of nonemergency services and decisions on appeals of adverse health care treatment decisions. However, this amendment establishes the maximum number of days for notification of prior authorization at 3 days and the