

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
125<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON INSURANCE AND  
FINANCIAL SERVICES**

July 2011

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STATE OF MAINE  
125<sup>TH</sup> LEGISLATURE  
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LEGISLATIVE DIGEST OF BILL SUMMARIES AND  
ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 125<sup>th</sup> Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

*CARRIED OVER* ..... carried over to a subsequent session of the Legislature  
*CON RES XXX*..... chapter # of constitutional resolution passed by both houses  
*CONF CMTE UNABLE TO AGREE*..... Committee of Conference unable to agree; legislation died  
*DIED BETWEEN HOUSES*..... House & Senate disagreed; legislation died  
*DIED IN CONCURRENCE*..... defeated in each house, but on different motions; legislation died  
*DIED ON ADJOURNMENT*..... action incomplete when session ended; legislation died  
*EMERGENCY*..... enacted law takes effect sooner than 90 days after session adjournment  
*FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE* ..... emergency failed to receive required 2/3 vote  
*FAILED, ENACTMENT or FINAL PASSAGE*..... failed to receive final majority vote  
*FAILED, MANDATE ENACTMENT* ..... legislation proposing local mandate failed required 2/3 vote  
*HELD BY GOVERNOR*..... Governor has not signed; final disposition to be determined at subsequent session  
*LEAVE TO WITHDRAW*..... sponsor's request to withdraw legislation granted  
*NOT PROPERLY BEFORE THE BODY*..... ruled out of order by the presiding officer; legislation died  
*INDEF PP*..... indefinitely postponed; legislation died  
*ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X*... ought-not-to-pass report accepted; legislation died  
*P&S XXX*..... chapter # of enacted private & special law  
*PUBLIC XXX*..... chapter # of enacted public Law  
*RESOLVE XXX*..... chapter # of finally passed resolve  
*VETO SUSTAINED*..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 125<sup>th</sup> Legislature is September 28, 2011. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

*Joint Standing Committee on Insurance and Financial Services*

**LD 473      An Act To Enable Maine Residents To Purchase Health Insurance over State Lines      ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HARMON MCCORMICK	ONTP	

This bill permits insurers authorized to transact individual or group health insurance in any state to offer their individual and group health plans for sale in this State if certain requirements of Maine law are met, including minimum capital and surplus and reserve requirements, disclosure and reporting requirements and grievance procedures. It also permits Maine health insurers to offer individual and group health plans of out-of-state parent or subsidiary health insurers if similar requirements are met. If out-of-state health plans are offered for sale in this State, the bill requires that prospective enrollees be provided adequate disclosure in a format approved by the Superintendent of Insurance of how the plans differ from Maine health plans. This bill also requires a person purchasing such insurance to sign a waiver acknowledging that the insurance policy does not necessarily fully adhere to Maine law. The bill includes an effective date of January 1, 2012.

While LD 473 was voted "Ought Not to Pass", a related substantive provision permitting insurers authorized to transact individual health insurance in Connecticut, Massachusetts, New Hampshire or Rhode Island to offer health plans in Maine under certain conditions was included in LD 1333, An Act to Modify Rating Practices for Individual and Small Group Health Plans and to Encourage Value-based Purchasing of Health Care Services. See LD 1333, which was enacted as Public Law 2011, chapter 90.

**LD 496      An Act To Amend the Laws Governing Financial Incentives and Geographic Accessibility of Services Covered by Health Insurance Providers      ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCKANE THOMAS	ONTP	

This bill removes provisions in current law prohibiting health insurance carriers from applying benefit differentials based on travel and repeals the provision authorizing pilot projects that are exempt from geographic access requirements. In its place, the bill requires health insurance carriers to offer a health plan with financial provisions to encourage use of designated providers that is exempt from geographic access requirements established in current law and in rules adopted by the Department of Professional and Financial Regulation, Bureau of Insurance.

While LD 496 was voted "Ought Not to Pass", a related substantive provision amending the access requirements established in current law and in rules adopted by the Department of Professional and Financial Regulation, Bureau of Insurance was included in LD 1333, An Act to Modify Rating Practices for Individual and Small Group Health Plans and to Encourage Value-based Purchasing of Health Care Services. See LD 1333, which was enacted as Public Law 2011, chapter 90.