MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION (EMERGENCY)

ONE HUNDRED AND SECOND LEGISLATURE

Legislative Document

No. 1660

H. P. 1192 House of Representatives, January 17, 1966 The Committee on Judiciary suggested.

JEROME G. PLANTE, Clerk

Presented by Mr. Cottrell of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SIXTY-SIX

AN ACT to Amend the Charter of the Union Mutual Life Insurance Company to Authorize said Company to Administer Medicare Program.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, federal "Medicare" legislation enacted by Public Law 89-97, 89th Congress, as Title XVIII of the United States Social Security Act will become effective on July 1, 1966 and will affect many citizens of Maine then age 65 or older: and

Whereas, said "Medicare" program and benefits payable thereunder will be administered by private organizations or carriers acting pursuant to contracts with the United States Department of Health, Education and Welfare, in accordance with the provisions of sections 1816 and 1842 of Title XVIII of the said Social Security Act, as amended; and

Whereas, the Union Mutual Life Insurance Company is a Maine insurance corporation, and conducts its business under a corporate charter granted by the Maine Legislature in 1848, as amended from time to time, and said company, in competition with many other insurers, has filed a formal proposal with the United States Social Security Administration under which, if selected, it will act as an authorized administrative agent or intermediary for the administration of a part of said "Medicare" program within the State of Maine; and

Whereas, said company is desirous of obtaining an amendment to its corporate charter, in order to more expressly authorize it to contract to provide services as an administrative agent or intermediary under the said "Medicare" program; and

Whereas, it is in the public interest that said Union Mutual Life Insurance Company be so authorized and empowered under and within the scope and provisions of its corporate charter; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine, as follows:

P. & S. L., 1878, c. 74, § 8-B, additional. Chapter 74 of the private and special laws of 1878, as last amended by chapter 120 of the private and special laws of 1961, is further amended by adding a new section 8-B, to read as follows:

'Sec. 8-B. Administration of "Medicare". The said company may enter into a contract or contracts with the Government of the United States of America, or any agency or department thereof, for the purpose of acting as and carrying out the duties and responsibilities of an authorized carrier, intermediary or administrative agent, under section 1816 or section 1842, or both, of Title XVIII of the United States Social Security Act as enacted under Public Laws 89-97 or as later amended, and for such purposes the said company is authorized to comply with all laws, regulations and requirements applicable in respect of any such contract, and may do all things necessary, in the judgment of its directors, including the establishment of separate accounting and deposits, to accomplish the purposes aforesaid and to effect and to perform its obligations under any such contract.'

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.