

MAINE STATE LEGISLATURE

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SECOND SPECIAL SESSION

ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 1802

H. P. 1296

House of Representatives, January 9, 1968

Referred to Committee on State Government. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Hanson of Gardiner.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-EIGHT

AN ACT Providing a Major Medical Insurance Program for State Employees.

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

R. S., T. 5, c. 13, sub-c. II, additional. Chapter 13 of Title 5 of the Revised Statutes is amended by adding a new subchapter II, to read as follows:

SUBCHAPTER II

MAJOR MEDICAL INSURANCE PROGRAM

§ 291. Group major medical insurance

Group major medical insurance sometimes referred to as extended benefits insurance shall be available to state employees, subject to the following provisions:

1. Eligibility. Each appointed or elective officer or employee of the State of Maine who is eligible for membership in the Maine State Retirement System or the State Police Retirement System shall come within the purview of this section.

2. Amount. Each state employee to whom this section applies shall be eligible for group major medical benefits. Such insurance shall become effective after the exhaustion of the basic benefits provided for in the state employees group hospital and surgical health insurance plan. The provisions of such group major medical insurance shall be determined by a board of trustees consisting of 5 members appointed by the Governor for a term of 3 years, at least 2 of whom shall be members of the Maine State Employees Association. The master

policy for such group major medical insurance shall be held by the Commissioner of Finance and Administration who shall be ex officio a member of the board of trustees, and shall be administered by the board of trustees herein provided.

3. Employees automatically insured; procedure if desire not be to insured. All employees eligible under this section will be automatically insured commencing on the date they shall first become so eligible. Any employee desiring not to be insured shall, on appropriate form, give written notice to his employing officer that he desires not to be insured. If such notice is received before the employee shall have become insured under such policy, he shall not be so insured; if it is received after he shall become insured, his insurance under the policy will cease, effective with the end of the pay period during which the notice is received by the employing officer. Any person desiring not to be insured may subsequently apply for insurance, but may be required to produce evidence of insurability at his own expense and in accordance with the requirements of the board of trustees.

4. Payroll deduction. During any period in which an employee is insured in conformity with this section, there shall be withheld by payroll deduction or deductions an amount equal to his share of the cost of said insurance. The manner in which such deductions shall be made shall be determined by the board of trustees.

5. Purchase of policies. The board of trustees is authorized to purchase from one or more insurance companies a policy or policies of group major medical or extended benefits insurance to provide the benefits specified by this section. Such company or companies must be licensed under the laws of the State of Maine. The initial premium rate shall be the minimum rate permitted an insurance company authorized to do business in all states. The policy provisions shall be subject to and as provided for by the insurance laws of this State.

6. Master policy and certificates. The insurance company shall furnish the usual master policy and certificates. Each insured employee shall receive a certificate setting forth the benefits to which he is entitled, to whom payable, to whom claims shall be submitted, and summarizing the provisions of the policy principally affecting the employee.

§ 292. Administration

1. Board of trustees; regulations. The board of trustees shall administer this group insurance program and except as otherwise provided is authorized to promulgate and publish such regulations as may be necessary and proper to give effect to the intent, purposes and provisions of this subchapter.

2. Selection of insurance company. The board of trustees shall select an insurance company as the result of competitive bidding.

3. Effective date. The insurance provided by section 291 and this section and the withholding for that purpose shall become effective when directed by the board.