

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 717

H. P. 535

House of Representatives, February 8, 1973

Referred to the Committee on Business Legislation. Sent up for concurrence and ordered printed.

E. LOUISE LINCOLN, Clerk

Presented by Mr. Trask of Milo.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-THREE

AN ACT Relating to Health Insurance Policy Reserves.

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

R. S., T. 24-A, § 925, amended. Section 925 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is amended to read as follows:

§ 925. Health insurance policy reserves

For all health insurance policies, the insurer shall **establish and maintain** ~~an active life thereon a~~ reserve which shall place a sound value on its liabilities under such policies and be not less than the reserve according to appropriate standards set forth in regulations issued by the commissioner and, in no event, less in the aggregate than the pro rata gross unearned premiums for such policies.

STATEMENT OF FACT

It is the intent of this bill to establish guidelines to require insurance companies licensed in the State of Maine to provide active life and loss of time reserves respecting health policies of insurance.