

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
SENATE  
108TH LEGISLATURE  
SECOND REGULAR SESSION

7 5 OF R.  
COMMITTEE AMENDMENT " A " to S.P. 638, L.D. 1997, Bill,  
"AN ACT Relating to Malpractice Insurance Companies."

Amend the Bill by striking out all of the title and inserting in its place the following: 'AN ACT Amending the Maine Medical and Hospital Malpractice Joint Underwriting Association Act.'

Further amend the Bill by striking out everything after the enacting clause and inserting in its place the following:

'Sec. 1. 24 MRSA §2405, sub-§1, 1st sentence, as repealed and replaced by PL 1977, c. 7, §6, is repealed and the following enacted in its place:

The association shall not issue any policies with an inception date after July 1, 1979 and in no event shall issue a policy providing coverage after July 1, 1980.

Sec. 2. 24 MRSA §2407, sub-§3 is enacted to read:

3. Cancellation by insured. An / <sup>insured</sup> may cancel its policy by mailing or / <sup>delivering a notice</sup> to the association at the address shown on the policy ← → stating when, not less than 15 days thereafter, cancellation shall be effective. An insured, so canceling, shall be entitled to a pro rata return of any unearned, prepaid premium and shall be entitled to a pro rata return of any unearned, prepaid stabilization reserve fund charge.'

Statement of Fact

This amendment to the Maine Medical and Hospital Malpractice Joint Underwriting Association Act allows the association to provide the market for medical malpractice insurance through July 1, 1979, as required by the enabling legislation establishing the association. Section 2 of the <sup>amendment</sup> / makes it clear that any doctor obtaining insurance from the association is entitled to a return of his premium and stabilization reserve fund charge if he decides to cancel his coverage.

Reported by the Committee on Business Legislation.

Reproduced and distributed pursuant to Senate Rule 11-A.

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