

MAINE STATE LEGISLATURE

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(EMERGENCY)
SECOND REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1799

H. P. 1685

House of Representatives, January 15, 1980

Speaker laid before the House and on Motion of Mrs. Prescott of Hampden, referred to the Committee on Health and Institutional Services. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk of the House

Presented by Mr. Higgins of Scarborough.

Cosponsors: Mr. Pearson of Old Town, Mr. Gillis of Calais.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY

AN ACT to Require the Department of Mental Health and Corrections to Solicit Bids for Group Health Coverage for its Patients and Inmates.

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

Whereas, the Department of Mental Health and Corrections is in dire need of funds to meet its budget for 1980-81; and

Whereas, it is estimated that the department will spend over \$700,000 on hospital, medical and surgical services to its patients and inmates; and

Whereas, there is a distinct possibility that the department could save a significant amount of money by soliciting competitive bids from insurance companies and nonprofit organizations for group policies covering those services; 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:

34 MRSA § 1, as last amended by PL 1979, c. 235, is further amended by adding at the end a new paragraph to read:

The department shall, on a biennial basis, with the advice of the Maine Insurance Advisory Board, solicit bids from insurance companies or nonprofit organizations, for the purchase of a policy or policies of group accident and sickness or health insurance, including major medical insurance, to cover all or a portion of the department's obligations for the costs of medical and surgical care, rendered in facilities other than the department's institutions, of patients and inmates under the supervision, management and control of the department. The department is not required to accept any of the bids submitted, unless acceptance of a bid would give the State the best possible service, coverage and cost.

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

STATEMENT OF FACT

The purpose of this bill is to require the Department of Mental Health and Corrections to solicit bids from insurance companies or nonprofit organizations for health coverage for its patients and inmates, and to accept those bids if the purchase of that coverage would give the State the best possible service, coverage and cost.