

MAINE STATE LEGISLATURE

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1 (After Deadline)
2 (EMERGENCY)
3 SECOND REGULAR SESSION
4

5 ONE HUNDRED AND TENTH LEGISLATURE
6

7 **Legislative Document**

No. 2036

9 H. P. 2111 House of Representatives, February 26, 1982
Approved for introduction by a majority of the Legislative Council
pursuant to Joint Rule 27.

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

EDWIN H. PERT, Clerk

Presented by Representative Brannigan of Portland.

11
12 **STATE OF MAINE**
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-TWO
16

17 **AN ACT to Establish "Free Look"**
18 **Requirements for Medicare Supplement**
19 **Policies.**
20

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

24 Whereas, Maine's inability to establish a regulatory
25 program governing Medicare supplement insurance which meets
26 the minimum requirements of United States Public Law 96-265
27 prior to July 1, 1982, will result in the superimposition of
28 a federal regulatory standard in Maine with respect to
29 Medicare supplement insurance; and

30 Whereas, in the judgment of the Legislature, the inter-
31 ests of the public will be better served and protected by
32 the establishment of a state regulatory program which meets
33 the minimum requirements of United States Public Law 96-265;
34 and

1 Whereas, additional statutory authority is necessary to
2 bring the state program into compliance with the minimum re-
3 quirements of United States Public Law 96-265; and

4 Whereas, in the judgment of the Legislature, these
5 facts create an emergency within the meaning of the Consti-
6 tution of Maine and require the following legislation as
7 immediately necessary for the preservation of the public
8 peace, health and safety; now, therefore,

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

10 24-A MRSA §5007 is enacted to read:

11 §5007. Examination and return of Medicare supplement poli-
12 cies

13 Medicare supplement policies or certificates, other
14 than those issued pursuant to direct response solicitation,
15 shall have a notice prominently printed on the first page of
16 the policy or certificate or attached thereto, stating in
17 substance that the applicant shall have the right to return
18 the policy or certificate within 10 days of its delivery and
19 to have the premium refunded if, after examination of the
20 policy or certificate, the applicant is not satisfied for
21 any reason. Medicare supplement policies or certificates
22 issued pursuant to a direct response solicitation to persons
23 eligible for Medicare by reason of age shall have a notice
24 prominently printed on the first page or attached thereto,
25 stating in substance that the applicant shall have the right
26 to return the policy or certificate within 30 days of its
27 delivery and to have the premium refunded if, after examina-
28 tion, the applicant is not satisfied for any reason.

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

31 STATEMENT OF FACT

32 This bill establishes an increased time period in which
33 purchasers of Medicare supplement insurance policies sold by
34 the direct solicitation method can examine policies and
35 return them for a full refund if unsatisfied for any reason.
36 The bill also establishes the applicability of the right to
37 examine and return requirement to group policies and to con-
38 tracts of nonprofit hospital and medical service organiza-
39 tion contracts. The bill is an emergency measure intended

1 to allow Maine to comply with United States Public Law
2 96-265 prior to the July 1, 1982, deadline established by
3 Congress.

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