

MAINE STATE LEGISLATURE

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1 (EMERGENCY)
2 FIRST REGULAR SESSION
3

4 ONE HUNDRED AND TWELFTH LEGISLATURE
5

6 Legislative Document

No. 966

7
8 H.P. 679

House of Representatives, March 8, 1985

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

11 EDWIN H. PERT, Clerk

Presented by Representative Scarpino of St. George.

12 Cosponsored by Senator Gill of Cumberland, Senator Clark of
Cumberland and Representative Murray of Bangor.

13 STATE OF MAINE
14

15 IN THE YEAR OF OUR LORD
16 NINETEEN HUNDRED AND EIGHTY-FIVE
17

18 RESOLVE, Establishing the Commission on
19 Limited Benefit Health Insurance.
20

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

25 Whereas, many limited benefit health insurance
26 policies sold in the State are duplicative of
27 Medicare or Medicaid benefits; and

28 Whereas, many individuals in the State are mis-
29 lead into purchasing such policies which provide them
30 with no real additional coverage; and

31 Whereas, it is in the best interest of these in-
32 dividuals that an immediate study be conducted re-
33 garding the regulation and sale of such policies in
34 the State; and

1 Whereas, in the judgment of the Legislature,
2 these facts create an emergency within the meaning of
3 the Constitution of Maine and require the following
4 legislation as immediately necessary for the preser-
5 vation of the public peace, health and safety; now,
6 therefore,

7 **Commission established. Resolved:** That the Com-
8 mission on Limited Benefit Health Insurance is estab-
9 lished. The commission shall consist of 8 members as
10 follows: Two members of the Senate to be appointed by
11 the President of the Senate; 2 members of the House
12 of Representatives to be appointed by the Speaker of
13 the House of Representatives; 4 members to be ap-
14 pointed by the Governor of which one member shall be
15 a representative from the health insurance industry
16 and one member shall be a representative from a state
17 agency representing Maine's elderly. The commission
18 shall elect one of its members to serve as chairman;
19 and be it further

20 **Duties of commission. Resolved:** That the com-
21 mission shall study the propriety, benefits, adver-
22 tising and sales practices of limited benefit health
23 insurance policies and Medicare and Medicaid supple-
24 mental health policies sold within the State; and be
25 it further

26 **Report. Resolved:** That the commission shall re-
27 port its findings, together with any implementing
28 legislation, to the Second Regular Session of the
29 112th Legislature; and be it further

30 **Compensation. Resolved:** That the members of the
31 commission shall receive no compensation but shall be
32 reimbursed for all necessary expenses.

33 **Emergency clause.** In view of the emergency cited
34 in the preamble, this resolve shall take effect when
35 approved.

1

STATEMENT OF FACT

2 Gaps in Medicare coverage and the complexities of
3 the Medicare Program have created confusion and often
4 abuse in the medical insurance marketplace, and the
5 victim is the elderly consumer. Frequently, they are
6 seriously misinformed regarding the type of coverage
7 they are buying. In addition to purchasing insurance
8 policies specifically designed to supplement
9 Medicare, they buy nursing home, cancer, home care,
10 accident and intensive care hospital policies and
11 more; policies which they probably do not need and
12 will probably never use. The purpose of this resolve
13 is to address these problems by establishing a com-
14 mission to study these issues and report to the Sec-
15 ond Regular Session of the 112th Legislature.

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