

# MAINE STATE LEGISLATURE

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L.D. 1476  
(Filing No. H-292 )

STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
112TH LEGISLATURE  
FIRST REGULAR SESSION

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A"  
to H.P. 1024, L.D. 1476, Bill, "AN ACT to Amend the  
Provisions Governing the Conversion of a Mutual In-  
surer."

Amend the amendment by inserting after section 7  
the following:

'Sec. 8. 24-A MRSA §3477, sub-§2-A is enacted to  
read:

2-A. Prior to a hearing on any plan or procedure  
under this section, the superintendent shall appoint  
an advocate for the insurer's policyholders. The ad-  
vocate shall be given access to the insurer's list of  
policyholders and shall be afforded sufficient time  
prior to any hearing to distribute information to the  
insurer's policyholders. Any costs related to repro-  
duction of any lists or any information for the lists  
and the distribution of any information shall be in-  
cluded in the advocate's budget as set out in para-  
graph B.

A. The advocate may retain counsel and may hire  
actuaries as he deems necessary to carry out his  
duties under this subsection, subject to the lim-  
itations of paragraph B.

B. The advocate, prior to taking any action un-  
der this subsection, shall submit a budget and a  
plan of action to the superintendent for the  
superintendent's approval. The superintendent  
may approve the budget and plan or may require  
such revisions as he deems necessary. In no case  
may the expenditures by the advocate, as re-  
flected in the approved budget, exceed \$250,000.  
The cost of any expenditures made by the advocate

1 in accordance with an approved budget shall be  
2 borne by the insurer.

3 C. The advocate shall perform the following du-  
4 ties:

5 (1) Represent the insurer's policyholders  
6 in any hearings on any plan or procedure and  
7 in proceedings concerning that plan or pro-  
8 cedure;

9 (2) Provide information to the policyhold-  
10 ers concerning the plan or procedure;

11 (3) Answer any questions or inquiries from  
12 policyholders concerning the plan or proce-  
13 dure; and

14 (4) Advise the policyholders concerning the  
15 plan or procedure or any aspect of the plan  
16 or procedure.

17 Further amend the amendment by renumbering the  
18 sections 8 and 9 to be 9 and 10.

19 STATEMENT OF FACT

20 The purpose of this amendment is to ensure that  
21 the policyholders have their own independent voice in  
22 the process and have access to an independent party  
23 to inform and advise them.

24 4057053185

Filed by Rep. Baker of Orrington  
Reproduced and distributed under the direction of the  
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5/31/85

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