MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 404

S.P. 150

In Senate, February 19, 1987

Reference to the Committee on Banking and Insurance suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate Presented by Senator CLARK of Cumberland. Cosponsored by Representative KIMBALL of Buxton,

Representative ROLDE of York, Senator PERKINS of Hancock.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-SEVEN

| 1 2 3 4 5 | AN ACT to Continue Insurance Coverage for Mental Health, Alcohol and Substance Abuse Treatment Services for Maine Citizens. |
|-----------------------|--|
| 6 7 | Be it enacted by the People of the State of Maine as follows: |
| 8 9 | Sec. 1. 5 MRSA $\S12004$, sub- $\S10$, \PA , sub- $\P(44-B)$ is enacted to read: |
| 10 11 12 13 | (44-B) Insurance Mandated Not Autho- 24 MRSA Benefits rized §2325-B Advisory Committee |
| 14 15 | Sec. 2. 24 MRSA §2325-A, sub-§9, as enacted by PL 1983, c. 515, §4, is amended to read: |

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9. Application; expiration. The requirements of this section shall apply to all policies and any certificates executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 1984. The requirements of this section shall expire on January 1, 1988.

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- A. For purposes of this section, all contracts shall be deemed to be renewed no later than the next yearly anniversary of the contract date.
- B. The provisions of this section shall be reviewed every 5 years by the joint standing committee of the Legislature having jurisdiction
 over audit and program review.
 - Sec. 3. 24 MRSA §2325-B is enacted to read:

§2325-B. Mandated Benefits Advisory Committee

The Mandated Benefits Advisory Committee, as tablished by Title 5, section 12004, subsection 10, shall be comprised of as follows: One member of the public appointed by the President of the Senate; one member of the public appointed by the Speaker of the House; one representative of an insurer, appointed by the Speaker of the House; one representative of an employer, appointed by the President of the Senate; one representative of a labor organization, appointed jointly by the President of the Senate and the Speaker of the House; one representative of a licensed alcohol and substance abuse treatment program appointed by the President of the Senate; and one representative of a licensed mental health treatment program appointed by the Speaker of the House.

This committee shall meet regularly to develop, with the bureau, a system and program of data collection to assess the impact of mandated benefits, including costs to employers and insurers, impact of treatment, cost savings in the health care system and other data as may be appropriate. This data shall be collected annually and made available to the joint standing committee of the Legislature having jurisdiction over audit and program review when that committee reviews mandated benefits.

| 1 | In addition, the Mandated Benefits Advisory Com- |
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| 2 | mittee shall advise and assist the Bureau of Insur- |
| 3 | ance on other matters relating to the implementation |
| 4 | of mandated insurance benefits. |
| 5 | Sec. 4. 24 MRSA §2329, sub-§10, as enacted by PL |
| 6 | 1983, c. 527, §1, is amended to read: |
| 7 | 10. Application; expiration. The requirements of this section shall apply to all policies and any |
| 8 | of this section shall apply to all policies and any |
| 9 | <u>certificates</u> or contracts executed, delivered, issued |
| 10 | for delivery, continued or renewed in this State on |
| 11 | or after January 1, 1984. The requirements of this |
| 12 | section shall expire on January 1, 1988. |
| 13 | A. For purposes of this section, all contracts |
| 14 | shall be deemed to be renewed no later than the |
| 15 | next yearly anniversary of the contract date. |
| 16 | B. The provisions of this section shall be re- |
| 17 | viewed every 5 years by the joint standing com- |
| 18 | mittee of the Legislature having jurisdiction |
| 19 | over audit and program review. |
| 20 | Sec. 5. 24-A MRSA §2842, sub-§10, as enacted by |
| 21 | PL 1983, c. 527, §2, is amended to read: |
| 22 | 10. Application; expiration. The requirements of |
| 23 | this section shall apply to all policies and any |
| 24 | certificates or contracts executed, delivered, issued |
| 25 | for delivery, continued or renewed in this State on |
| 26 | or after January 1, 1984. The requirements of this |
| 27 | section shall expire on January 1, 1988. |
| 28 | A. For purposes of this section, all contracts |
| 29 | shall be deemed to be renewed no later than the |
| 30 | next yearly anniversary of the contract date. |
| 31 | B. The provisions of this section shall be re- |
| 32 | viewed every 5 years by the joint standing com- |
| 33 | mittee of the Legislature having jurisdiction |
| 34 | over audit and program review. |
| | |

Sec. 6. 24-A MRSA §2843, sub-§8, as enacted by
PL 1983, c. 515, §6, is amended to read:

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| 1 | 8. Application; expiration. The requirements of |
|---|---|
| 2 | this section shall apply to all policies and any |
| 3 | certificates executed, delivered, issued for deliv- |
| 4 | ery, continued or renewed in this State on or after |
| 5 | January 1, 1984. The requirements of this section |
| 6 | shall expire on January 1, 1988. |
| | |

A. For purposes of this section, all contracts shall be deemed to be renewed no later than the next yearly anniversary of the contract date.

B. The provisions of this section shall be reviewed every 5 years by the joint standing committee of the Legislature having jurisdiction
over audit and program review.

14 STATEMENT OF FACT

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15 This bill repeals the expiration date of the 16 State's laws establishing insurance coverage for 17 treatment of mental illness and alcohol and substance abuse, enacted by the Legislature in 1983. Since the 18 19 laws went into effect in 1984, thousands of 20 citizens have received these insurance benefits, worth millions of dollars. Treatment for these 21 22 nesses keeps down hospital and other more expensive 23 health care costs.

Repeal of these expiration dates ensures continued coverage for Maine people while providing for ongoing review by the Legislature.

The bill establishes a regular 5-year review of mandated benefits and creates a representative advisory committee to assist the Bureau of Insurance in developing accurate data and information regarding the costs and impacts of the law.

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