

MAINE STATE LEGISLATURE

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ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 1674

S.P. 561

In Senate, May 26, 1987

Reported by Senator Bustin of Kennebec for the Committee on Banking and Insurance and printed under Joint Rule 2. Original Bill sponsored by Senator Clark of Cumberland. Cosponsored by: Representative Kimball of Buxton, Representative Rolde of York, Senator Perkins of Hancock

JOY J. O'BRIEN, Secretary of the Senate

STATE OF MAINE

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

AN ACT to Continue Insurance Coverage for
Mental Health, Alcohol and Substance
Abuse Treatment Services for Maine
Citizens.

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

Sec. 1. 5 MRSA §12004, sub-§10, ¶A, sub-¶(44-B)
is enacted to read:

(44-B)	<u>Insurance</u>	<u>Mandated</u>	<u>Expenses</u>	<u>24 MRSA</u>
		<u>Benefits</u>	<u>Only</u>	<u>§2325-B</u>
		<u>Advisory</u>		
		<u>Commission</u>		

1 Sec. 2. 24 MRSA §2325-A, sub-§9, as enacted by
2 PL 1983, c. 515, §4, is repealed and the following
3 enacted in its place:

4 9. Application; expiration. The requirements of
5 this section shall apply to all policies and any certifi-
6 cates executed, delivered, issued for delivery,
7 continued or renewed in this State on or after Janu-
8 ary 1, 1984. For purposes of this section, all con-
9 tracts shall be deemed to be renewed no later than
10 the next yearly anniversary of the contract date.

11 Sec. 3. 24 MRSA §2325-B is enacted to read:

12 §2325-B. Mandated Benefits Advisory Commission

13 1. Appointment; membership. The Mandated Bene-
14 fits Advisory Commission, as established by Title 5,
15 section 12004, subsection 10, shall be comprised of
16 11 members to be appointed by the Governor within 90
17 days of the effective date of this legislation. The
18 Governor shall notify the President of the Senate,
19 the Speaker of the House and the Executive Director
20 of the Legislative Council of the appointment as soon
21 as they are made.

22 The membership shall include the following:

23 A. Two health insurance consumers who are not
24 otherwise affiliated with the provision or fi-
25 naning of health care;

26 B. One representative of a labor organization;

27 C. One representative of a commercial health in-
28 surance company;

29 D. One representative of a nonprofit hospital or
30 medical service organization;

31 E. One representative of a licensed alcohol and
32 substance abuse treatment program;

33 F. One representative of a licensed mental
34 health treatment program;

35 G. One representative of small business;

1 H. One representative of a major industry and
2 business trade association;

3 I. One physician; and

4 J. One representative of the hospital industry.

5 2. Ex officio member. A representative of the
6 Superintendent of Insurance shall serve on the com-
7 mittee as an ex officio nonvoting member.

8 3. First meeting; commission chairman. The
9 Chairman of the Legislative Council shall call the
10 first meeting. The commission shall select a chair-
11 man from among its members.

12 4. Commission responsibilities. This commission
13 shall meet 3 times annually to develop, with the bu-
14 reau, a system and program of data collection to as-
15 sess the impact of mandated benefits, including costs
16 to employers and insurers, impact of treatment, cost
17 savings in the health care system, number of
18 providers and other data as may be appropriate.

19 The commission shall study mandated benefits in the
20 context of alternative delivery systems.

21 The Mandated Benefits Advisory Commission shall also
22 advise and assist the Bureau of Insurance on matters
23 relating to mandated insurance benefits regulations.

24 The commission shall report on its activities to the
25 joint standing committee of the Legislature having
26 jurisdiction over insurance during the first regular
27 session of each Legislature.

28 5. Staff. The Bureau of Insurance shall provide
29 staffing assistance to the commission.

30 Sec. 4. 24 MRSA §2329, sub-§10, as enacted by PL
31 1983, c. 527, §1, is repealed and the following en-
32 acted in its place:

33 10. Application; expiration. The requirements
34 of this section shall apply to all policies and any
35 certificates or contracts executed, delivered, issued
36 for delivery, continued or renewed in this State on

1 or after January 1, 1984. For purposes of this section,
2 all contracts shall be deemed to be renewed no
3 later than the next yearly anniversary of the con-
4 tract date.

5 Sec. 5. 24-A MRSA §2842, sub-§10, as enacted by
6 PL 1983, c. 527, §2, is repealed and the following
7 enacted in its place:

8 10. Application; expiration. The requirements of
9 this section shall apply to all policies and any cer-
10 tificates or contracts executed, delivered, issued
11 for delivery, continued or renewed in this State on
12 or after January 1, 1984. For purposes of this sec-
13 tion, all contracts shall be deemed to be renewed no
14 later than the next yearly anniversary of the con-
15 tract date.

16 Sec. 6. 24-A MRSA §2843, sub-§8, as enacted by
17 PL 1983, c. 515, §6, is repealed and the following
18 enacted in its place:

19 8. Application; expiration. The requirements of
20 this section shall apply to all policies and any cer-
21 tificates executed, delivered, issued for delivery,
22 continued or renewed in this State on or after Janu-
23 ary 1, 1984. For purposes of this section, all con-
24 tracts shall be deemed to be renewed no later than
25 the next yearly anniversary of the contract date.

26 Sec. 7. Allocation. The following funds are al-
27 located from Other Special Revenue funds to carry out
28 the purposes of this Act.

	<u>1987-88</u>	<u>1988-89</u>
29		
30	<u>PROFESSIONAL AND FINAN-</u>	
31	<u>CIAL REGULATION, DEPART-</u>	
32	<u>MENT OF</u>	
33	Bureau of Insurance	
34	Position	(1.0) (1.0)
35	Personal Services	\$15,929 \$22,513
36	All Other	2,000 2,000
37	Capital Expenditures	500

1 Provides funds for
 2 a Statistician I
 3 position and re-
 4 lated expenses to
 5 assist the
 6 Mandated Benefits
 7 Advisory Commis-
 8 sion.

9
 10 Total \$18,429 \$24,513

11 Sec. 8. Appropriation. The following funds are
 12 appropriated from the General Fund to carry out the
 13 purposes of this Act.

14 1987-88 1988-89

15 PROFESSIONAL AND FINAN-
 16 CIAL REGULATION, DEPART-
 17 MENT OF

18 Mandated Benefits Ad-
 19 visory Commission

20 All Other \$1,500 \$1,500

21 Provides funds for
 22 the expenses of
 23 commission members
 24 to attend 3 meet-
 25 ings annually.

26 FISCAL NOTE

27 This new draft will have the following effect on
 28 revenues.

29 1987-88 1988-89
 30 Other Special Revenue \$18,429 \$24,513

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STATEMENT OF FACT

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This new draft repeals the expiration date of the State's laws establishing insurance coverage for treatment of mental illness and alcohol and substance abuse, enacted by the Legislature in 1983, as did the original bill.

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The new new draft also keeps the provisions from the original bill which require mandated benefits to be available as of the annual renewal date and be applicable to certificates issued in the State by out-of-state companies.

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The establishment of the Mandated Benefits Advisory Commission is retained from the original bill. The structure and appointment process have been modified in this new draft. All members will be appointed by the Governor. Membership has been expanded to better represent all interested parties.

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