

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1992

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Legislative Document

No. 2218

H.P. 1571

House of Representatives, January 27, 1992

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26.  
Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative PLOURDE of Biddeford.

Cosponsored by Representative PINEAU of Jay, Senator VOSE of Washington and  
Representative LIPMAN of Augusta.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-TWO

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**An Act to Revise the Workers' Compensation Laws.**

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

4 Sec. 1. 39 MRSA §21-A, sub-§1-A is enacted to read:

6 1-A. Twenty-four-hour health and indemnity insurance  
8 coverage. Every employer may secure payment of compensation in  
10 conformity with this section and sections 23 to 27 with respect  
12 to all employees, subject to the provisions of this section, by  
14 obtaining a combination of 24-hour health insurance and indemnity  
16 insurance. The combination of 24-hour health insurance and  
18 indemnity insurance must provide total benefits substantially  
20 similar to the total compensation required by this chapter and  
22 must meet the requirements of the Bureau of Insurance.

24 A. The 24-hour health insurance may utilize deductibles and  
26 coinsurance provisions that require the employee to pay a  
28 portion of the actual medical care received by the employee.

30 B. The 24-hour health insurance may be provided through  
32 health insurance with an insurance carrier licensed under  
34 Title 24-A, by self-insurance under section 23 or by a  
36 health maintenance organization organized under Title 24-A  
38 and may utilize health maintenance organizations and  
preferred provider arrangements organized under Title 24-A.

C. The premium for the 24-hour health insurance and for the  
indemnity insurance must be paid entirely by the employer.

#### 30 STATEMENT OF FACT

32 This bill establishes a new method of securing workers'  
34 compensation coverage through a combination of 24-hour health  
36 insurance and indemnity insurance. The health insurance allows  
38 the use of coinsurance and deductibles, through insurance,  
self-insurance, health maintenance organizations and preferred  
provider arrangements. The employer is required to pay all  
premiums for the health and indemnity coverages.