

MAINE STATE LEGISLATURE

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BANKING AND INSURANCE

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
117TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 79, L.D. 115, Bill, "An Act to Require Insurance Companies to Provide Loss Information to Insured Groups"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 24 MRSA §2307-B is enacted to read:

§2307-B. Loss information

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Insurance policy" means the insurance policy relating to the loss information requested pursuant to this section.

B. "Loss information" means the aggregate claims experience of the group insurance policy or contract. "Loss information" includes the amount of premium received, the amount of claims paid and the loss ratio. "Loss information" does not include any information or data pertaining to the medical diagnosis, treatment or health status that identifies an individual covered under the group contract or policy.

C. "Loss ratio" means the ratio between the amount of premium received and the amount of claims paid by the insurer under the group insurance contract or policy.

2. Disclosure of loss information. Upon written request, every insurer shall provide loss information concerning a group

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2 policy or contract to its policyholder at least 60 days prior to
3 renewal of the policy or contract and again 6 months from the
4 date the policy becomes effective.

5 3. Transmittal of request. If a policyholder requests loss
6 information from an insurance agent or other authorized
7 representative, the representative or agent shall transmit the
8 request for loss information to the insurer within 4 working days.

9 4. Exception. An insurer is not required to provide the
10 loss information described in this section to a group with fewer
11 than 25 members.

12 **Sec. 2. 24-A MRSA §2803-A is enacted to read:**

13 1. Definitions. As used in this section, unless the
14 context otherwise indicates, the following terms have the
15 following meanings.

16 A. "Insurance policy" means the insurance policy relating
17 to the loss information requested pursuant to this section.

18 B. "Loss information" means the aggregate claims experience
19 of the group insurance policy or contract. "Loss
20 information" includes the amount of premium received, the
21 amount of claims paid and the loss ratio. "Loss
22 information" does not include any information or data
23 pertaining to the medical diagnosis, treatment or health
24 status that identifies an individual covered under the group
25 contract or policy.

26 C. "Loss ratio" means the ratio between the amount of
27 premium received and the amount of claims paid by the
28 insurer under the group insurance contract or policy.

29 2. Disclosure of loss information. Upon written request,
30 every insurer shall provide loss information concerning a group
31 policy or contract to its policyholder at least 60 days prior to
32 renewal of the policy or contract and again 6 months from the
33 date the policy becomes effective.

34 3. Transmittal of request. If a policyholder requests loss
35 information from an insurance agent or other authorized
36 representative, the representative or agent shall transmit the
37 request for loss information to the insurer within 4 working days.

38 4. Exception. An insurer is not required to provide the
39 loss information described in this section to a group with fewer
40 than 25 members.

41 **Sec. 3. 24-A MRSA §4224-A is enacted to read:**

2 1. Definitions. As used in this section, unless the
3 context otherwise indicates, the following terms have the
4 following meanings.

6 A. "Insurance policy" means the insurance policy relating
7 to the loss information requested pursuant to this section.

8 B. "Loss information" means the aggregate claims experience
9 of the group insurance policy or contract. "Loss
10 information" includes the amount of premium received, the
11 amount of claims paid and the loss ratio. "Loss
12 information" does not include any information or data
13 pertaining to the medical diagnosis, treatment or health
14 status that identifies an individual covered under the group
15 contract or policy.

16 C. "Loss ratio" means the ratio between the amount of
17 premium received and the amount of claims paid by the
18 insurer under the group insurance contract or policy.

19 2. Disclosure of loss information. Upon written request,
20 every insurer shall provide loss information concerning a group
21 policy or contract to its policyholder at least 60 days prior to
22 renewal of the policy or contract and again 6 months from the
23 date the policy becomes effective.

24 3. Transmittal of request. If a policyholder requests loss
25 information from an insurance agent or other authorized
26 representative, the representative or agent shall transmit the
27 request for loss information to the insurer within 4 working days.

28 4. Exception. An insurer is not required to provide the
29 loss information described in this section to a group with fewer
30 than 25 members.

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38 **STATEMENT OF FACT**

39 This amendment replaces the original bill and makes the
40 following changes.

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42 1. It amends the definition of "loss information" by
43 requiring the aggregate claims experience for the group, rather
44 than claim-specific information contrary to statutory
45 confidentiality provisions.

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47 2. It requires insurers to provide loss information to
48 insured groups upon written request twice over the duration of
49 the group policy or contract: once, after the policy has been in
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2 effect for 6 months; and again, 60 days prior to renewal of the
policy.

4 3. It does not require insurers to provide loss information
to groups with fewer than 25 members.