## MAINE STATE LEGISLATURE

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## 119th MAINE LEGISLATURE

## **FIRST REGULAR SESSION-1998**

Legislative Document

No. 2

S.P. 13

Received by the Secretary, December 21, 1998

An Act to Clarify the Application of Insurance Fraud Prevention Laws.

(EMERGENCY)

Received by the Secretary of the Senate on December 21, 1998. Referred to the Committee on Banking and Insurance and ordered printed pursuant to Joint Rule 308.2

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator LaFOUNTAIN of York.

	Emergency preamble. Whereas, Acts of the Legislature do not
2	become effective until 90 days after adjournment unless enacted
	as emergencies; and
4	TW/h among to the term of the
6	Whereas, it is imperative that the definition of insurance be clarified in the insurance fraud prevention laws; and
8	Whereas, the clarification should occur retroactively with the effective date of the provisions recommended by the
10	Commission to Study Insurance Fraud as passed in Public Law 1997, chapter 675; and
12	Whereas, in the judgment of the Legislature, these facts
14	create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately
16	necessary for the preservation of the public peace, health and safety; now, therefore,
18	Be it enacted by the People of the State of Maine as follows:
20	Sec. 1. 24-A MRSA §2186, sub-§1, ¶B, as enacted by PL 1997, c.
22	675, §2, is amended to read:
24	B. "Insurer" means a <u>an authorized insurance company,</u> reinsurer, surplus lines insurer, unauthorized insurer,
26	nonprofit hospital and medical service organization, health maintenance organization, risk retention group or multiple
28	employer welfare organization. "Insurer" also includes an insurance producer or other person acting on the behalf of
30	an insurer. For the purposes of this section, "insurer" also means the state Medicaid program.
32	Sec. 2. Retroactivity. This Act applies retroactively to June
34	30, 1998.
36	Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.
38	
40	SUMMARY
42	This bill clarifies the definition of insurer under the insurance fraud prevention laws to ensure that authorized
44	insurance companies fall within the definition. The bill applies this change retroactively to the effective date of enactment of
46	the definition in Public Law 1997, chapter 675.