

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 622

H.P. 459

House of Representatives, January 26, 1999

An Act to Increase Consumer Confidence in Insurance Companies.

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

A handwritten signature in black ink that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative SKOGLUND of St. George.
Cosponsored by Senator DOUGLASS of Androscoggin and
Representatives: BUCK of Yarmouth, DUDLEY of Portland, HATCH of Skowhegan,
PERKINS of Penobscot, SAXL of Portland, VOLENIK of Brooklin.

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

4 **Sec. 1. 24-A MRSA §2414-A is enacted to read:**

6 **§2414-A. Disclosures at time of billing**

8 **1. Required disclosures.** At the time an insured is billed
10 for the cost of an insurance policy or contract, the profits of
12 the insurance company over the past 12 months or, in the case of
14 a nonprofit organization, the salary, including bonuses, of the
16 highest-paid officer or employee of the organization over the
18 past 12 months must be disclosed to the insured on the billing
20 statement.

22 **2. Application.** The requirements of this section apply to
24 insurance companies licensed in accordance with this Title,
26 nonprofit hospital, medical or health care service organizations
28 licensed pursuant to Title 24 and health maintenance
30 organizations licensed in accordance with chapter 56.

22 **SUMMARY**

24 This bill requires insurers, nonprofit hospital, medical or
26 health care service organizations and health maintenance
28 organizations to disclose to insured persons the profits of the
30 company over the past 12 months or, in the case of a nonprofit
organization, the salary of the organization's highest paid
company official at the time the insureds are billed for an
insurance policy or contract.