

# MAINE STATE LEGISLATURE

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# 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1999

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Legislative Document

No. 778

H.P. 557

House of Representatives, January 28, 1999

**An Act to Require Insurance Companies to Pay Workers' Compensation Benefits until a Hearing is Called if Contesting Payments.**

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Reference to the Committee on Labor suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative HATCH of Skowhegan.  
Cosponsored by Senator DOUGLASS of Androscoggin and  
Representatives: COWGER of Hallowell, DUNLAP of Old Town, JABAR of Waterville,  
MATTHEWS of Winslow, SAMSON of Jay, SKOGLUND of St. George, TRACY of Rome,  
VOLENIK of Brooklin.

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

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**Sec. 1. 39-A MRSA §205, sub-§9, ¶B,** as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, is repealed and the following enacted in its place:

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B. In all circumstances other than the return to work or increase in pay of the employee under paragraph A, if the employer, insurer or group self-insurer determines that the employee is not eligible for compensation under this Act, the employer, insurer or group self-insurer shall petition the board for an order to reduce or discontinue benefits and may not reduce or discontinue benefits until the matter has been finally resolved through the dispute resolution procedures of this Act, any appeal proceedings have been completed and an order of reduction or discontinuance has been entered by the board.

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**Sec. 2. 39-A MRSA §205, sub-§9, ¶¶C and F,** as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, are amended to read:

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C. The employee may file a petition for review, contesting the employer's discontinuance or reduction of compensation under this subsection. Regardless of whether the employee files a petition prior to the date of the discontinuance or reduction, benefits may be discontinued or reduced as described in ~~paragraph-A-or-B~~ this subsection.

F. If benefits have been discontinued or reduced pursuant to ~~paragraph-A-or-B~~ this subsection and the board, after hearing, determines that benefits have been wrongfully withheld, the board shall order payment of all benefits withheld together with interest at the rate of 6% a year. The employer shall pay this amount within 10 days of the order.

**SUMMARY**

This bill repeals the law allowing employers, insurers and self-insurers to discontinue or reduce workers' compensation payments before a matter in dispute has been resolved pursuant to dispute resolution procedures under the Workers' Compensation Act of 1992.