

# MAINE STATE LEGISLATURE

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**BANKING AND INSURANCE**

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**STATE OF MAINE  
SENATE  
119TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A " to S.P. 765, L.D. 2157, Bill, "An Act to Amend the Laws Concerning Life and Health Insurance"

Amend the bill in Part C in section 1 by striking out all of paragraph C-1 and inserting in its place the following:

'C-1. "Legally domiciled" means a ~~resident~~ of person who lives in this State and who satisfies 3 of the following 4 criteria: has a motor vehicle operator's license from this State, is registered to vote in this State, has a permanent dwelling place in this State or files an income tax return for this State that declares the person is a Maine resident. A person may establish that that person is "legally domiciled" in this State by providing evidence of other relevant criteria associated with residency. A child is legally domiciled in this State if at least one of the child's parents or the child's legal guardian is legally domiciled in this State. A person with a developmental or other disability that prevents that person from obtaining a motor vehicle operator's license, registering to vote or filing an income tax return is legally domiciled in this State by living in this State.'

Further amend the bill in Part I in section 1 in that part designated "**§2436.**" in subsection 2 in the last line (page 7, line 18 in L.D.) by inserting after the following: "position." the following: 'For purposes of this subsection, a claim for payments under a policy or certificate providing health care coverage is disputed if the insurer has denied the claim or has requested further information that is consistent with Bureau of Insurance Rule Chapter 850.'

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2 Further amend the bill in Part N in section 1 in that part  
4 designated "§2723-A." in subsection 1 in the 8th and 9th lines  
6 (page 18, line 51 and page 19, line 1 in L.D.) by striking out  
8 the following: "nonprofit hospital, medical service and health  
care plans" and inserting in its place the following: 'nonprofit  
hospital or medical service organization plans and nonprofit  
health care organization plans'

10 Further amend the bill by inserting after Part P the  
12 following:

14 **PART Q**

16 **Sec. Q-1. 24-A MRSA §4202-A, sub-§12-A is enacted to read:**

18 12-A. NCOA accreditation survey report. "NCOA accreditation  
20 survey report" means the unpublished, detailed survey report to a  
22 health maintenance organization by the National Committee for  
Quality Assurance upon completion of NCOA's accreditation survey  
of the health maintenance organization.

24 **Sec. Q-2. 24-A MRSA §4245 is enacted to read:**

26 **§4245. NCOA accreditation survey report**

28 1. Access and confidentiality. The superintendent or the  
30 Commissioner of Human Services may require a health maintenance  
32 organization to submit its NCOA accreditation survey report. An  
34 NCOA accreditation survey report obtained by or submitted to the  
superintendent or the Commissioner of Human Services is  
confidential, is not subject to subpoena and may not be made  
public by the superintendent or the Commissioner of Human  
Services except as otherwise provided in this section.

36 2. Use in examination. In conducting an examination of a  
38 health maintenance organization pursuant to section 4215, the  
40 superintendent or the Commissioner of Human Services has the  
42 discretion to adopt relevant findings in the NCOA accreditation  
44 survey report in whole or in part as the examiner's conclusions,  
46 if the examiner determines that the NCOA survey, by itself or in  
48 combination with the examiner's own findings, sufficiently  
demonstrates that the health maintenance organization has  
satisfied the pertinent requirements of this chapter. If the  
NCOA accreditation survey report indicates that the health  
maintenance organization may not be in compliance with one or  
more requirements of this chapter, the examiner may investigate  
and make independent findings.

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2 3. Examination report. The information from the NCOA  
4 accreditation survey report that sufficiently demonstrates that  
6 the health maintenance organization has satisfied the pertinent  
8 requirements of this section as adopted by the superintendent or  
the Commissioner of Human Services pursuant to subsection 2 may  
be incorporated into an examination report, which is a public  
record except for any information relating to an individual  
applicant or enrollee.

10 4. Use of information for regulatory purposes. The  
12 confidentiality of the NCOA accreditation survey report does not  
14 prohibit its use by the superintendent or the Commissioner of  
16 Human Services for regulatory or law enforcement purposes subject  
to the restrictions of section 216, subsection 5 and section 226,  
subsection 7.

18 **PART R**

20 **Sec. R-1. 24-A MRSA §6603, sub-§1, ¶H,** as enacted by PL 1993,  
22 c. 688, §1, is amended to read:

24 H. May issue only health care benefit plans that comply  
26 with the requirements of section 2808-B with regard to  
28 rating practices, coverage for late enrollees and guaranteed  
30 renewal and ~~must provide health care benefits that meet the~~  
32 ~~requirements--for~~ offer the standard and basic plans as  
34 adopted by the Bureau of Insurance in Rule Chapter 750. The  
superintendent may waive the requirement to offer standard  
and basic plans for an arrangement that provides benefits  
only to members of an association meeting the requirements  
of section 2805-A. An arrangement may not provide health  
care benefits that do not meet or exceed the requirements  
for the basic plan.'

36 **SUMMARY**

38 This amendment does the following.

40 1. In Part C, it amends the definition of "legally  
42 domiciled" for purposes of qualifying for individual health  
44 insurance coverage in this State and requires that persons living  
46 in this State also satisfy 3 of 4 criteria to establish legal  
48 domicile in Maine. The amendment also allows those who may not  
qualify under the established criteria to establish legal  
domicile based on other relevant factors.

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- 2           2. In Part I, it clarifies that the operation of the late  
3           payments provision is suspended for health claims disputed or  
4           appealed in accordance with Bureau of Insurance Rule Chapter 850.
  
- 6           3. In Part N, it corrects a technical error.
  
- 8           4. It adds Part Q which ensures that the confidentiality of  
9           the accreditation survey report provided by the National  
10          Committee for Quality Assurance to a health maintenance  
11          organization will be protected upon its submittal to the Bureau  
12          of Insurance and the Department of Human Services during an  
13          examination of the quality of health care services delivered by  
14          the health maintenance organization.
  
- 16          5. It adds Part R which clarifies the minimum benefits  
17          standards applicable to multiple-employer welfare arrangements  
18          and authorizes the Superintendent of Insurance to exempt certain  
19          arrangements from offering the standard and basic plans.

**COMMITTEE AMENDMENT**