

# MAINE STATE LEGISLATURE

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**BANKING AND INSURANCE**

Reported by:

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**STATE OF MAINE  
SENATE  
120TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 49, L.D. 217, Bill, "An Act to Clarify Insurance Coverage for Victims of Domestic Violence"

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

'Sec. 1. 24-A MRSA §2159-B, as corrected by RR 1997, c. 2, §50, is repealed and the following enacted in its place:

**§2159-B. Discrimination against victims of domestic abuse prohibited**

**1. Discrimination prohibited.** An insurer, nonprofit hospital and medical service organization or health maintenance organization that issues life, health or disability coverage may not deny, cancel, refuse to renew or restrict coverage of any person or require the payment of additional charges based on the fact or perception that the person is, or may become, the victim of domestic abuse, under Title 19-A, section 4002. This subsection does not prohibit applying an underwriting or rating criterion to a victim of domestic abuse based on physical or mental history or other factors of general applicability regardless of the underlying cause and in accordance with the requirements of section 2159, subsections 1 and 2. An insurer, nonprofit hospital and medical service organization or health maintenance organization may not be held criminally or civilly liable for any cause of action that may result from compliance with this subsection. This subsection does not prohibit an insurer, nonprofit hospital and medical service organization or health maintenance organization from declining to issue coverage to an applicant known to be, or to have been, an abuser of the proposed insured.

2 2. Justification of adverse insurance decisions. An  
4 insurer, nonprofit hospital and medical service organization or  
6 health maintenance organization that issues life, health or  
8 disability coverage that takes an action that adversely affects  
10 an applicant or insured on the basis of a medical condition that  
12 the insurer, nonprofit hospital and medical service organization  
14 or health maintenance organization knows or has reason to know is  
16 related to domestic abuse shall explain the reasons for its  
18 action to the applicant or insured in writing and shall  
20 demonstrate that its action, and any applicable policy provision:

12 A. Does not have the purpose or effect of treating abuse  
14 status as a medical condition or underwriting or rating  
16 criterion;

16 B. Is not based upon any actual or perceived correlation  
18 between a medical condition and domestic abuse;

18 C. Is otherwise permissible by law and applies in the same  
20 manner and to the same extent to all applicants and insureds  
22 with a similar medical condition or disability without  
24 regard to whether the medical condition or disability is  
26 related to domestic abuse; and

26 D. Except for claims actions, is based on a determination  
28 made in conformance with sound actuarial principles and  
30 otherwise supported by actual or reasonably anticipated  
32 experience that there is a correlation between the medical  
34 condition or disability and a material increase in insurance  
36 risk.'

## SUMMARY

34 This amendment replaces the bill. It clarifies that an  
36 insurer, nonprofit hospital and medical service organization or  
38 health maintenance organization may not deny, cancel, refuse to  
40 renew or restrict coverage of any person or require additional  
charges based on the fact or perception that the applicant or  
insured is, or may become, a victim of domestic abuse.

42 The amendment also requires that if an insurer, nonprofit  
44 hospital and medical service organization or health maintenance  
46 organization makes an adverse insurance decision on the basis of  
48 a medical condition that the insurer, nonprofit hospital and  
50 medical service organization or health maintenance organization  
knows or has reason to know is related to domestic abuse, the  
insurer, nonprofit hospital and medical service organization or  
health maintenance organization shall justify its decision to the  
applicant or insured in writing.