# MAINE STATE LEGISLATURE

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## 120th MAINE LEGISLATURE

### FIRST REGULAR SESSION-2001

Legislative Document

No. 688

H.P. 533

House of Representatives, February 13, 2001

Millient M. Mac Failand

An Act to Eliminate the Requirement that Workers' Compensation Insurers Disclose Certain Cost Breakdowns When Issuing Workers' Compensation Policies.

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

MILLICENT M. MacFARLAND, Clerk

Presented by Representative RICHARDSON of Brunswick.

| Be | it | enacted | by | the | People | of | the | State | of | Maine | $\mathbf{a}\mathbf{s}$ | follows: |
|----|----|---------|----|-----|--------|----|-----|-------|----|-------|------------------------|----------|
|----|----|---------|----|-----|--------|----|-----|-------|----|-------|------------------------|----------|

Sec. 1. 24-A MRSA §2385-B, as enacted by PL 1991, c. 885, Pt. 8, §12 and affected by §13, is amended to read:

### §2385-B. Disclosure of premium information

All policies issued to employers for workers' compensation insurance must disclose clearly to the employer as separate figures the base rate, and the employer's experience modification factor for-each-year-included-in-the-formula-pursuant-to-section 2382-D,-the-medical,-indemnity-and-administrative-portions-of-the premium-and-the-portion-of-the-premium-attributable-to-the workplace-health-and-safety-consultation-services.

When-a-peliey--is--issued--to--employers--for--werkers' compensation--insurance,-it--must-be-accompanied-by-a-statement disclosing--the--percentages--of--premium--expended--during--the previous-year-by-the-insurer-for-claims-paid,-loss--control-and other--administrative-costs,--medical--provider-expenses,--insurer and-employee-attorney's-fees-and-private-investigation-costs.

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#### SUMMARY

This bill eliminates the requirement that workers' compensation insurers include detailed cost information with workers' compensation policies. The information is available upon request.

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