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)



L.	D.	4	80
• •	$\boldsymbol{\nu}$.		vo

2	2 22 05	L.D. 400
4	DATE: 3. 23.05	(Filing No. S-23)
6	INSURANCE AND I	INANCIAL SERVICES
8	Reported by:	
10	Reproduced and distributed under of the Senate.	er the direction of the Secretary
12		OF MAINE
14	SE	OF MAINE NATE GISLATURE
16	FIRST REG	ULAR SESSION
18	COMMITTEE AMENDMENT 'A"	to S.P. 132, L.D. 408, Bill, "An
20		lity Benefits Subject to Offsets"
22	Amend the bill in sect " <u>\$2717-A.</u> " in subsection 2 in	ion l in that part designated the first paragraph in the last
24	line (page 1, line 23 in L.D. "10%" and inserting in its place) by striking out the following: e the following: '20%'
26	Further amend the bill in	section 1 in that part designated
28	" §2717-A. " in subsection 2 in p	aragraph A in the first line (page ing out the following: " <u>The</u> " and
30	inserting in its place the fol after September 13, 2003, the	lowing: 'For policies applied for
32	-	marking 1 in what and and are
34	" §2717-A. " in subsection 2 in	section 1 in that part designated paragraph B in the 2nd line (page ing after the following: " <u>insurer</u> "
36	-	date as the insurer begins paying
38	Further amend the hill in	section 1 in that part designated
40	" §2717-A. " in subsection 2 by	striking out all of paragraph D one of the strike of the
42	following:	

Page 1-LR0446(2)

'D. The insurer provided the insured with clear and

44

46

48

2	conspicuous written notice that accurately explains to the
4	insured all types of other sources of income that may result
4	in a reduction of the benefits payable under the policy
6	<pre>within 30 days of the date a claim for disability benefits was filed.'</pre>
Ü	was IIIeu.
8	Further amend the bill in section 2 in that part designated
	"§2829-A." in subsection 2 in the first paragraph in the last
10	line (page 2, line 15 in L.D.) by striking out the following:
	"10%" and inserting in its place the following: '20%'
12	•
	Further amend the bill in section 2 in that part designated
14	" <u>\$2829-A.</u> " in subsection 2 in paragraph A in the first line (page
	2, line 17 in L.D.) by striking out the following: "The" and
16	inserting in its place the following: 'For policies applied for
	after September 13, 2003, the'
18	
	Further amend the bill in section 2 in that part designated
20	"\$2829-A." in subsection 2 in paragraph B in the 2nd line (page
	2, line 21 in L.D.) by inserting after the following: "insurer"
22	the following: ', or such later date as the insurer begins paying
- 4	benefits to the insured,'
24	
26	Further amend the bill in section 2 in that part designated
26	"§2829-A." in subsection 2 by striking out all of paragraph D (page 2, lines 29 to 31 in L.D.) and inserting in its place the
28	following:
20	ioliowing:
30	'D. The insurer provided the insured with clear and
30	conspicuous written notice that accurately explains to the
32	insured all types of other sources of income that may result
•	in a reduction of the benefits payable under the policy
34	within 30 days of the date a claim for disability benefits
	was filed.'
36	•
38	SUMMARY
40	This amendment limits the rate at which an insurer's
→ U	This amendment limits the rate at which an insurer's overpayment of disability income benefits may be recovered by the
42	insurer through offsets to 20% against current payments to the
1 6	insured. The bill limited the rate of recovery to 10%. The
	THOUSEN, THE DITT TIMITED THE LOSE OF LECOVETY OF TOP. THE

FISCAL NOTE REQUIRED (See attached)

amendment also clarifies that the disclosure requirements relate

only to policies that were applied for after September 13, 2003.

Page 2-LR0446(2)



122nd MAINE LEGISLATURE

LD 408

LR 0446(02)

An Act Limiting Recovery of Disability Benefits Subject to Offsets

Fiscal Note for Bill as Amended by Committee Amendment Committee: Insurance and Financial Services

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Any additional costs to the Department of Professional and Financial Regulation incurred in implementing this bill can be absorbed utilizing existing resources.