

MAINE STATE LEGISLATURE

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R. & S.

Date: 4/27/19

(Filing No. H-168)

Majority

INSURANCE AND FINANCIAL SERVICES

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 513, L.D. 754, Bill, "An Act Regarding Subrogation of Medical Payments Coverage"

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

'Sec. 1. 24-A MRSA §2910-A, sub-§1, as enacted by PL 1997, c. 369, §2, is amended to read:

1. Policy requirements. A casualty insurance policy subject to this chapter may not provide for subrogation or priority over the insured of payment for any hospital, nursing, medical or surgical services or of any expenses paid or reimbursed under the medical payments coverage in the policy in the event the insured is entitled to receive payment or reimbursement from any other person as a result of legal action or claim, except as provided in this section.

The coverage may contain a provision that allows the payments if that provision is approved by the superintendent and if that provision required the prior written approval of the insured and provides that the insurer's subrogation right is subject to subtraction to account for the pro rata share of the insured's attorney's fees incurred in obtaining the recovery from another source. :

A. The provision provides for subrogation or priority over the insured when an insured's awarded or settled damages exceed \$20,000;

B. The provision requires the written approval of the insured;

C. The provision provides that the insurer's subrogation right is subject to subtraction to account for the pro rata share of the insured's attorney's fees incurred in obtaining the recovery from another source; and

D. The provision is approved by the superintendent.'

COMMITTEE AMENDMENT

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SUMMARY

This amendment, which is the majority report of the committee, replaces the bill. The amendment allows subrogation or priority over the insured of medical payments in certain instances in a casualty insurance policy for any hospital, nursing, medical or surgical services or of any expenses paid or reimbursed under the medical payments coverage in the policy only when an insured's awarded or settled damages exceed \$20,000.