# MAINE STATE LEGISLATURE

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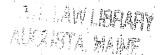
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## 124th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2009

Legislative Document

No. 754

H.P. 513

House of Representatives, February 26, 2009

An Act Regarding Subrogation of Medical Payments Coverage

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

Millicent M. Macfarland MILLICENT M. MacFARLAND Clerk

Presented by Representative LEGG of Kennebunk. Cosponsored by Representatives: BECK of Waterville, BERRY of Bowdoinham, CASAVANT of Biddeford, WRIGHT of Berwick.

### Be it enacted by the People of the State of Maine as follows:

- 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.

#### SUMMARY

This bill strikes language in the law that 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 in the event the insured is entitled to receive payment.