

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND FIFTEENTH LEGISLATURE

SECOND SPECIAL SESSION
December 12, 1991 to January 7, 1992

SECOND REGULAR SESSION
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PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
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J.S. McCarthy Company
Augusta, Maine
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PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
SECOND REGULAR SESSION

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ONE HUNDRED AND FIFTEENTH LEGISLATURE

1991

equipped with blinking attachments. In lieu of the lights specified, a vehicle may be equipped with at least one auxiliary rotating flashing light having 4-inch sealed beams and showing amber beams of light over a 360° range or an amber strobe, or combination of strobes, that emits at a minimum a beam of 1,000,000 candlepower and provides visible light coverage over a 360° range. When the left wing of a plow is in operation and extends over the center of the road, an auxiliary light must show the extreme end of the left wing. That light may be attached to the vehicle so that the beam of light points at the left wing. The light illuminating the left wing may be controlled by a separate switch or by the regular lighting system and must be in operation at all times when the vehicle is used for plowing snow on public ways.

(4) A vehicle equipped and used for plowing snow on other than public ways may be equipped with an auxiliary rotary flashing light that must be mounted on top of the vehicle in such a manner as to emit an amber beam of light over a 360° angle, or an amber strobe, or combination of strobes, that emits as at a minimum a beam of 1,000,000 candlepower and that provides visible light coverage over a 360° range. The lighting light may only be in use on a public way only when the vehicle is entering the public way in the course of plowing private driveways and other off-highway locations.

Sec. 3. 29 MRSA §1655, first ¶, as amended by PL 1989, c. 866, Pt. B, §12 and affected by §26, is further amended to read:

The operation on the highways of any vehicle loaded entirely with building materials that absorb moisture during delivery originating and terminating within the State, bark, sawdust, firewood, sawed lumber, dimension lumber, pulpwood, wood chips, logs, soils, unconsolidated rock materials including limestone, bolts, farm produce, road salt, manufacturer's concrete products, solid waste, ~~building materials and~~ or incinerator ash ~~that absorb moisture during delivery originating and terminating within the State;~~ or dump trucks, tractor dump trucks or transit-mix concrete trucks carrying highway construction materials; or any vehicle loaded with a majority of products requiring refrigeration, whether by ice or mechanical equipment, and on those vehicles when inspected by the State Police, the number of the seal must be recorded and the number of the new seal must be recorded by the State Police, and the operation on the highways of any vehicle loaded with raw ore from mine or quarry to place of processing ~~may is not be determined to be~~ in violation if the gross weight of that vehicle does not exceed 110% of the maximum gross

weight permitted for that vehicle by section 1652; and provided that the maximum axle loads ~~for these vehicles do load does~~ not exceed 24,200 pounds for a single axle unit, 46,000 pounds for a tandem axle unit and 54,000 pounds for a tri-axle unit, except that 64,000 pounds ~~must be is~~ permitted on the tri-axle unit of a 4-axle motor vehicle hauling forest products provided that a special commodity permit is obtained. When any of the tolerances in this section are exceeded, the difference between the actual weights and the respective limits established in section 1652 must be used as the basis for determining the percentage of overload on which the penalty in section 1654 ~~must be is~~ assessed.

See title page for effective date.

CHAPTER 695

H.P. 1565 - L.D. 2203

An Act to Amend the Laws Concerning Continuity of Health Insurance

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

Sec. 1. 24 MRSA §2346, sub-§1-A is enacted to read:

1-A. Evidence of individual insurability. "Evidence of individual insurability" means medical information or other information that indicates health status, such as whether the individual is actively at work, used to determine whether coverage of an individual within the group is to be limited or excluded.

Sec. 2. 24 MRSA §2347, sub-§1, as enacted by PL 1989, c. 867, §1 and affected by §10, is amended to read:

1. Contracts subject to this section. Notwithstanding any other provision of law, this section applies to all group contracts, except group long-term care policies as defined in Title 24-A, section 5051, issued by nonprofit hospital or medical service organizations to contract holders who are obtaining coverage for a group or subgroup to replace coverage under a different contract or policy issued by any insurer, health maintenance organization or nonprofit hospital or medical service organization. For purposes of this section, the group contract issued to replace the prior contract or policy is the "replacement contract." The group contract or policy being replaced is the "replaced contract or policy."

Sec. 3. 24 MRSA §2347, sub-§3, ¶A, as enacted by PL 1989, c. 867, §1 and affected by §10, is amended to read:

A. Request that the person provide or otherwise seek to obtain evidence of individual insurability. This in no way limits the insurer's right to require information concerning the health of the individuals in the group to determine if the group as a whole is insurable or to determine rates for the group as a whole;

Sec. 4. 24 MRSA §2349, sub-§3, ¶A, as enacted by PL 1989, c. 867, §1 and affected by §10, is amended to read:

A. The request for enrollment is made within 30 days after termination of coverage under a prior contract or policy and the individual did not request coverage initially under the succeeding contract because that individual was covered under a prior contract or policy and coverage under that contract or policy ceased due to termination of employment, termination of the group policy or group contract under which the individual was covered, death of a spouse or divorce; or

Sec. 5. 24-A MRSA §§2847-A, 2847-B and 2847-C are enacted to read:

§2847-A. Penalty for failure to notify of hospitalization

An insurance policy may not include a provision permitting the insurer to impose a penalty for the failure of any person to notify the insurer of an insured person's hospitalization for emergency treatment. For purposes of this section, "emergency treatment" has the same meaning as defined in Title 22, section 1829.

This section applies to policies and certificates executed, delivered, issued for delivery, continued or renewed in this State after the effective date of this section. For purposes of this section, all policies are deemed to be renewed no later than the next yearly anniversary of the contract date.

§2847-B. Jury service

1. Prohibition. An insurer that issues group or blanket health care contracts providing coverage for medical care to residents of this State may not terminate coverage for any person covered under those contracts because the person has been summonsed for or is engaged in jury service under Title 14, chapter 305, subchapter I-A.

2. Application. This section applies to all policies and any certificate executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 1991. For purposes of this section, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date.

§2847-C. Notification prior to cancellation

The superintendent shall, by January 1, 1991, adopt rules to provide for notification of the insured person and another person, if designated by the insured, prior to cancellation of a health insurance certificate for non-payment of premiums, and to provide restrictions on cancellation when an insured person suffers from organic brain disease.

The rules may include, but are not limited to, definitions, minimum disclosure requirements, notice provisions and cancellation restrictions.

The requirements of this section apply to all policies and certificates executed, delivered, issued for delivery, continued or renewed in this State.

Sec. 6. 24-A MRSA §2848, as enacted by PL 1989, c. 767, §4; c. 801, §3; and c. 867, §8 and affected by §10, is repealed and the following enacted in its place:

§2848. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Evidence of individual insurability. "Evidence of individual insurability" means medical information or other information that indicates health status, such as whether the individual is actively at work, used to determine whether coverage of an individual within the group is to be limited or excluded.

2. Group. "Group" means any of the types of groups under sections 2804 to 2808.

3. Preexisting condition exclusion. "Preexisting condition exclusion" means an exclusion of benefits for a specified or indefinite period of time on the basis of one or more physical or mental conditions for which, preceding the effective date of enrollment:

A. A person experienced symptoms that would cause an ordinarily prudent person to seek diagnosis, care or treatment; or

B. A provider of health care services recommended or provided medical advice or treatment to the person.

4. Subgroup. "Subgroup" means an employer covered under a contract issued to a multiple employer trust or to an association.

5. Waiting period. "Waiting period" means a period of time after the effective date of enrollment during which a health insurance plan excludes coverage for the diagnosis or treatment of any or all medical conditions.

Sec. 7. 24-A MRSA §2849, as enacted by PL 1989, c. 835, §3 and c. 867, §8 and affected by §10, is repealed and the following enacted in its place:

§2849. Continuity on replacement of group policy

1. Policies subject to this section. Notwithstanding any other provision of law, this section applies to all group medical insurance policies issued by insurers or health maintenance organizations to policyholders who are obtaining coverage for a group or subgroup to replace coverage under a different contract or policy issued by any nonprofit hospital or medical service organization, insurer or health maintenance organization. For purposes of this section, the group policy issued to replace the prior contract or policy is the "replacement policy." The group contract or policy being replaced is the "replaced contract or policy."

2. Persons provided continuity of coverage under this section. This section provides continuity of coverage to persons who were covered under the replaced contract or policy at any time during the 90 days before the discontinuance of the replaced contract or policy.

3. Prohibition against discontinuity. In a replacement policy subject to this section, an insurer or health maintenance organization may not, for any person described in subsection 2:

A. Request that the person provide or otherwise seek to obtain evidence of individual insurability. This in no way limits the insurer's right to require information concerning the health of the individuals in the group to determine whether the group as a whole is insurable or to determine rates for the group as a whole;

B. Decline to enroll the person on the basis of evidence of insurability if the person is otherwise eligible for coverage; or

C. Impose a preexisting condition exclusion period or waiting period on that person, except as provided in this section.

4. Persons covered for fewer than 90 continuous days. Notwithstanding subsection 3, a person who was covered under the replaced contract or policy for fewer than 90 continuous days may be subject to a preexisting condition exclusion or waiting period in the replacement policy, provided the period is not longer than 90 days, and credit is given for satisfaction or partial satisfaction of the same or similar provisions under the replaced contract or policy.

5. Liability after discontinuance. The nonprofit hospital or medical service organization, insurer or health maintenance organization that issued the replaced contract or policy is liable after discontinuance of that contract or policy only to the extent of its accrued liabilities and extensions of benefits.

Sec. 8. 24-A MRSA §2849-A, sub-§1, as enacted by PL 1989, c. 867, §8 and affected by §10, is amended to read:

1. Policies subject to this section. This section applies to group policies that provide hospital or medical expense coverage and group policies that provide benefits for loss of time from work or specific indemnity during hospital confinement. This section does not apply to group policies providing coverage only for dental expense or to group long-term care policies as defined in section 5051 or group short-term and long-term disability policies.

Sec. 9. 24-A MRSA §2849-B, sub-§1, as enacted by PL 1989, c. 867, §8 and affected by §10, is amended to read:

1. Policies subject to this section. This section applies to all group medical insurance policies issued by insurers or health maintenance organizations, except group long-term care policies as defined in section 5051 and group long-term disability policies.

Sec. 10. 24-A MRSA §2849-B, sub-§3, ¶A, as enacted by PL 1989, c. 867, §8 and affected by §10, is amended to read:

A. The request for enrollment is made within 30 days after termination of coverage under a prior contract or policy and the individual did not request coverage initially under the succeeding contract or policy because that individual was covered under a prior contract or policy and coverage under that contract or policy ceased due to termination of employment, termination of the group policy or group contract under which the individual was covered, death of a spouse or divorce; or

Sec. 11. 24-A MRSA §2850, sub-§1, as enacted by PL 1989, c. 867, §8 and affected by §10, is amended to read:

1. Application. This section applies to individual medical insurance policies subject to chapter 33, except long-term care policies defined in section 5051, long-term disability policies; Medicare supplement policies, converted policies issued under section 2809-A and policies designed to cover specific diseases, hospital indemnity or accidental injury only.

See title page for effective date.

CHAPTER 696

H.P. 1490 - L.D. 2102

**An Act to Prohibit Unfair Rating Practices in
Small Group Health Insurance**