

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND SIXTEENTH LEGISLATURE

SECOND REGULAR SESSION

January 5, 1994 to April 14, 1994

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
JULY 14, 1994

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

J.S. McCarthy Company
Augusta, Maine
1993

State and recorded in the Penobscot County Registry of Deeds, Book 1944, page 271. Transfer of title under this section must be executed for consideration of one dollar and must take place within 180 days after the passage of this Act. The Maine Sardine Council must pay all consideration and administrative costs associated with the title transfer.

Sec. 13. Allocation. The following funds are allocated from the Maine Sardine Fund to carry out the purposes of this Act.

1994-95

MAINE SARDINE COUNCIL

Sardine Council

Positions	(-7.5)
Personal Services	(\$302,355)
All Other	(210,653)
Capital Expenditures	(13,000)
TOTAL	(526,008)

Provides for the deallocation of funds to reflect the Maine Sardine Council's status as an instrumentality of the State.

Sardine Council

All Other	526,008
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Provides for the allocation of funds to allow the payment of funds from the Maine Sardine Fund to the independent Maine Sardine Council.

MAINE SARDINE COUNCIL	
TOTAL	\$-0-

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.

Effective April 1, 1994.

CHAPTER 586
H.P. 1218 - L.D. 1637
An Act Regarding Insurance
Coverage for Mental Illness

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

Sec. 1. 24 MRSA §2325-A, sub-§5-C, as enacted by PL 1993, c. 441, §1, is amended to read:

5-C. Coverage for certain mental illness treatment. Coverage for medical treatment for mental illnesses listed in paragraph A is subject to this subsection. Nothing in this subsection requires benefit levels or maximum lifetime or annual benefits for medical treatment for mental illness that exceed the benefit levels or maximum lifetime or annual benefits for other illnesses and diseases.

A. All group contracts must provide at a minimum benefits according to paragraph B, subparagraphs (1) to (3) for the usual, customary and reasonable charges for a person receiving medical treatment for:

- (1) Schizophrenia;
- (2) Bipolar disorder;
- (3) Pervasive developmental disorder, or autism;
- (4) Childhood schizophrenia;
- (5) Psychotic depression, or involuntional melancholia;
- (6) Paranoia;
- (7) Panic disorder;
- (8) Obsessive-compulsive disorder; or
- (9) Major depressive disorder.

B. All policies and certificates executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 1994 must provide benefits that meet the requirements of this paragraph. For purposes of this paragraph, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date.

- (1) The contracts must provide inpatient care benefits of at least 60 days per calendar year.
- (2) The contracts must provide outpatient care benefits of at least \$2,000 for any combination of outpatient and day treatment care. The minimum level of benefits provided must be at least 50% of the usual, customary and reasonable charge.

- (3) The contracts must contain a maximum lifetime benefit of at least \$100,000 for the aggregate costs associated with a mental illness.

This subsection does not apply to certificates covering employees of employers with 12 or fewer employees, whether the group policy is issued to the employer, to an association or to a multiple employer trust.

This subsection is repealed July 1, 1995.

Sec. 2. 24 MRSA §2325-A, sub-§9, as repealed and replaced by PL 1993, c. 441, §2, is amended to read:

9. Application; expiration. Except as otherwise provided, the requirements of this section apply to all policies and any certificates executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 1984. For purposes of this section, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date. ~~This subsection does not apply to certificates covering employees of employers with 12 or fewer employees, whether the group policy is issued to the employer, to an association or to a multiple employer trust. Such employers are subject to the provisions of chapter 330 of the Bureau of Insurance rules unless exempted by virtue of Title 24, section 2325 A, subsection 5 A or Title 24 A, section 2842, subsection 5.~~

Sec. 3. 24-A MRSA §2843, sub-§5-C, as enacted by PL 1993, c. 441, §3, is amended to read:

5-C. Coverage for certain mental illness treatment. Coverage for medical treatment for mental illnesses listed in paragraph A is subject to this subsection. Nothing in this subsection requires benefit levels or maximum lifetime or annual benefits for medical treatment for mental illness that exceed the benefit levels or maximum lifetime or annual benefits for other illnesses and diseases.

A. All group contracts must provide at a minimum benefits according to paragraph B, subparagraphs (1) to (3) for the usual, customary and reasonable charges for a person receiving medical treatment for:

- (1) Schizophrenia;
- (2) Bipolar disorder;
- (3) Pervasive developmental disorder, or autism;
- (4) Childhood schizophrenia;
- (5) Psychotic depression, or involuntional melancholia;

- (6) Paranoia;
- (7) Panic disorder;
- (8) Obsessive-compulsive disorder; or
- (9) Major depressive disorder.

B. All policies and certificates executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 1994 must provide benefits that meet the requirements of this paragraph. For purposes of this paragraph, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date.

- (1) The contracts must provide inpatient care benefits of at least 60 days per calendar year.
- (2) The contracts must provide outpatient care benefits of at least \$2,000 for any combination of outpatient and day treatment care. The minimum level of benefits provided must be at least 50% of the usual, customary and reasonable charge.
- (3) The contracts must contain a maximum lifetime benefit of at least \$100,000 for the aggregate costs associated with a mental illness.

This subsection does not apply to certificates covering employees of employers with 12 or fewer employees, whether the group policy is issued to the employer, to an association or to a multiple employer trust.

This subsection is repealed July 1, 1995.

Sec. 4. 24-A MRSA §2843, sub-§8, as repealed and replaced by PL 1993, c. 441, §4, is amended to read:

8. Application; expiration. Except as otherwise provided, the requirements of this section apply to all policies and any certificates executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 1984. For purposes of this section, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date. ~~This subsection does not apply to certificates covering employees of employers with 12 or fewer employees, whether the group policy is issued to the employer, to an association or to a multiple employer trust. Such employers are subject to the provisions of chapter 330 of the Bureau of Insurance rules unless~~

exempted by virtue of Title 24, section 2325-A, subsection 5-A or Title 24-A, section 2842, subsection 5.

See title page for effective date.

CHAPTER 587

H.P. 1188 - L.D. 1585

An Act to Clarify Certain Provisions of Maine's Hospital Payment System

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

Sec. 1. 22 MRSA §396-D, sub-§1-A, as enacted by PL 1989, c. 588, Pt. A, §11, is amended by amending the first paragraph to read:

1-A. Variable adjustment factor. In determining payment year financial requirements, the commission shall include an adjustment based upon a factor, fixed by the commission between ~~0.5%~~ 0.38% and 2.0%, which ~~shall~~ must be added to the percentage adjustment for inflation determined pursuant to subsection 1. This factor ~~shall~~ must reflect the following:

Sec. 2. 22 MRSA §396-F, sub-§3, as repealed and replaced by PL 1993, c. 458, §2, is amended by amending the first paragraph to read:

3. Differentials. The commission shall provide for revenue deductions that reflect differentials established and approved pursuant to section 396-G, except that prompt payment differentials approved pursuant to section 396-G, subsection 1, paragraph C do not qualify for revenue deductions. In calculating revenue deductions to reflect differentials under the Medicare program, the commission shall exclude from its determination the following amounts:

See title page for effective date.

CHAPTER 588

H.P. 1405 - L.D. 1914

An Act to Clarify the Opportunity for Small Employers to Purchase Health Insurance

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, access to health insurance through the small group health insurance market is critical to the health care of many citizens of the State; and

Whereas, part-time employees are not covered presently in the small group health insurance laws and require coverage to secure health care; and

Whereas, the utilization review procedures of health maintenance organizations conflict with the rules adopted by the Bureau of Insurance for the 2 standard small group health plans; and

Whereas, it is necessary to resolve the conflict between the utilization review procedures and the rules of the Bureau of Insurance in order for the health maintenance organizations to administer their contracts of health care; and

Whereas, these 2 issues require resolution as soon as possible to bring about consistency and effectiveness in the administration of health insurance and health care delivery in the State; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 24-A MRSA §2808-B, sub-§1, ¶C, as enacted by PL 1991, c. 861, §2, is amended to read:

C. "Eligible employee" means an employee who works on a full-time basis, with a normal work week of 30 hours or more. "Eligible employee" includes a sole proprietor, a partner of a partnership or an independent contractor, but does not include employees who work on a ~~part-time~~, temporary or substitute basis. An employer may elect to treat as eligible employees part-time employees who work a normal work week of 10 hours or more. An employer may elect to treat as eligible employees employees who retire from the employer's employment.

Sec. 2. 24-A MRSA §2808-B, sub-§8, as enacted by PL 1991, c. 861, §2, is amended to read:

8. Standardized plans. The superintendent shall by rule define 2 standardized small group health plans that must be offered by all carriers offering small group health plans in the State. An association group organized pursuant to section 2805-A or a trustee group organized pursuant to section 2806 may offer one or both plans to its subgroups. The plans must consist of a standard plan and a basic plan. Both plans must meet the requirements for mandated coverage for specific health services, specific diseases and for certain providers of health services under