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

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- **Sec. 2. 22 MRSA §396-F, sub-§3,** as repealed and replaced by PL 1993, c. 458, §2, is amended by amending the first paragraph to read: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

Title 24 and this Title applicable to small group health plans. As used in this subsection:

- A. "Standard plan" means a plan that is similar to those plans typically sold to small employers; and
- B. "Basic plan" means a plan that emphasizes preventative care and that contains reasonable but lesser benefits than the standard plan to the extent necessary to reduce the anticipated cost of the plan by 20%.

The premium rate charged by a carrier for the basic plan may not exceed 80% of the corresponding premium rate charged by that carrier for the standard plan.

A health maintenance organization authorized pursuant to chapter 56 may impose penalties in its 2 standardized small group health plans through its utilization review procedures that apply per admission or per encounter. Those penalties must be consistent with the normal requirements applicable to benefits in that health maintenance organization.

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

Effective April 1, 1994.

CHAPTER 589

S.P. 574 - L.D. 1616

An Act to Make Changes to the Public Utilities Commission Laws

Mandate preamble. This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21, two thirds of all of the members elected to each House have determined it necessary to enact this measure.

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

Sec. 1. 10 MRSA §1499, as enacted by PL 1991, c. 252, §1, is amended to read:

§1499. Consumer notification

Notwithstanding section 1498, a person may not use an automated telephone calling device to dial the telephone number of any telephone utility customer in

this State who has notified the telephone utility pursuant to Title 35-A, section 7112 7103 of the customer's request not to receive automated telephone calls. Violation of this section is an unfair trade practice under Title 5, section 207.

- **Sec. 2. 35-A MRSA §107, sub-§8,** as enacted by PL 1987, c. 141, Pt. A, §6, is amended to read:
- **8. Dismissal.** After successful completion of a probationary period, the employees occupying the positions of staff attorney, financial and utility analyst, chief utility accountant and utility accountant III may be dismissed, suspended or otherwise disciplined only for cause.
- **Sec. 3. 35-A MRSA §3502, sub-§3, ¶E,** as enacted by PL 1987, c. 141, Pt. A, §6, is amended to read:
 - E. The availability of assistance from the Public Advocate; and
- **Sec. 4. 35-A MRSA §3502, sub-§3, ¶F,** as amended by PL 1989, c. 159, §5, is further amended to read:
 - F. The date, time, place and purpose of the hearing: and
- **Sec. 5. 35-A MRSA §3502, sub-§3,** ¶**G** is enacted to read:
 - G. The customer's right to petition the commission to investigate the proposed rate increase, the requirement that signatures on petitions filed pursuant to subsection 8 are invalid unless accompanied by the printed names and addresses of the signers and the fact that the utility will, upon request, provide customers with petition forms that include space for signatures and the printed names and addresses of the signers.
- **Sec. 6. 35-A MRSA §3502, sub-§4,** as enacted by PL 1987, c. 141, Pt. A, §6, is amended to read:
- **4. Customer rights.** At the commencement of each hearing held pursuant to this section, the consumer-owned electric utility shall inform those present of customer rights as specified in subsection 3 and, that the rate increase may be investigated by the commission in accordance with subsection 8 and that petitions filed pursuant to subsection 8 must bear the signature, printed name and address of the signer. Upon request, the utility shall provide customers with petition forms that include a place for signatures and the printed names and addresses of the signers.