

# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED BY THE**  
**ONE HUNDRED AND TWENTIETH LEGISLATURE**  
**FIRST REGULAR SESSION**  
**December 6, 2000 to June 22, 2001**

**THE GENERAL EFFECTIVE DATE FOR**  
**FIRST REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**SEPTEMBER 21, 2001**

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

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**J.S. McCarthy Company**  
**Augusta, Maine**  
**2001**

assistance to the commission. The Office of Fiscal and Program Review and the Department of Transportation, the Department of Marine Resources, the Department of Inland Fisheries and Wildlife, the Department of Conservation and the Department of Administrative and Financial Services, Bureau of Revenue Services shall also provide assistance as requested by the chairs of the commission; and be it further

**Sec. 7. Compensation. Resolved:** That the members of the commission who are Legislators are entitled to receive the legislative per diem, as defined in the Maine Revised Statutes, Title 3, section 2, and reimbursement for travel and other necessary expenses related to their attendance at authorized meetings of the commission. Other members of the commission, including ad hoc members, who are not otherwise compensated by their employers or other entities that they represent are entitled to receive reimbursement for travel and other necessary expenses related to their attendance at authorized meetings; and be it further

**Sec. 8. Budget. Resolved:** That the chairs of the commission, with assistance from the commission staff, shall administer the commission's budget. The commission may not incur expenses exceeding its approved budget. Upon request from the commission, the Executive Director of the Legislative Council shall promptly provide the commission and its staff with a status report on the commission's budget, expenditures incurred and remaining available funds; and be it further

**Sec. 9. Appropriations carried over. Resolved:** That funds appropriated to the commission by Resolve 1999, chapter 131 that are unexpended are carried forward to fiscal year 2001-02 to be used for the purposes specified in that resolve and in this resolve. The commission may not expend more money than carried forward to fiscal year 2001-02 pursuant to this section.

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

Effective June 28, 2001.

## CHAPTER 69

### H.P. 1364 - L.D. 1821

#### **Resolve, to Require Further Study of the Effect and Cost Impact of Mental Illness on the State and Private Health Insurance**

**Emergency preamble.** Whereas, Acts and resolves of the Legislature do not become effective

until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** legislation has been introduced in the First Regular Session of the 120th Legislature to require equality in health insurance coverage for mental illness, eating disorders and substance abuse treatment; and

**Whereas,** the Department of Professional and Financial Regulation, Bureau of Insurance reports that approximately one in 5 Mainers is estimated to need mental health care during that person's lifetime; and

**Whereas,** millions of General Fund dollars are appropriated every year for the treatment of these conditions for children and adults in the budgets for the Department of Mental Health, Mental Retardation and Substance Abuse Services, the Department of Human Services and the Department of Corrections; and

**Whereas,** a comprehensive examination of cost-shifting from the private health insurance industry to Maine taxpayers has never been undertaken by State Government; and

**Whereas,** all studies of proposed mandated health insurance benefits for mental illness have not been required to include information about cost savings to the State and to private employers; and

**Whereas,** these same mandate studies have never required information from the private health insurance industry regarding the numbers of denied claims for coverage of mental illness; and

**Whereas,** the Governor's Year 2000 Blue Ribbon Commission on Health Care report indicates cost-shifting occurs in many forms and contributes to the complexity of the health care delivery system and uneven treatment of consumers; 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

**Sec. 1. Cost savings to state agencies. Resolved:** That the Department of Mental Health, Mental Retardation and Substance Abuse Services, the Department of Human Services and the Department of Corrections shall study the cost savings in their department budgets that may result from enactment of legislation mandating that private health insurance provide equality in coverage of mental illness and mental disorders, eating disorders and substance abuse for adults and children. In addition to the estimates of

cost savings, the departments shall provide the following information:

2001-02

1. The aggregate number of children and adult beneficiaries of state-funded services who have or have had private health insurance subject to state regulation at any time while they are receiving or have received state-funded services and the aggregate amount of state dollars expended for those services; and

2. The aggregate number of children who have received the eligibility option under the Katie Beckett program for mental health services after denial of coverage by their families' private health insurers.

The departments shall submit a report containing the information required by this section to the Department of Professional and Financial Regulation, Bureau of Insurance by November 1, 2001; and be it further

**PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF**

**Bureau of Insurance**

All Other \$2,400

Allocates funds to compile information related to claims denials for coverage of mental illness from 1995 to 2000 and to prepare the required report.

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

Effective June 28, 2001.

**Sec. 2. Private health insurance; claims denials for coverage of mental illness. Resolved:** That the Department of Professional and Financial Regulation, Bureau of Insurance shall collect the following information related to claims denials for coverage of mental illness for the period January 1, 1999 to June 30, 2001:

1. The number of claims denials for coverage of mental health services for each health insurer doing business in Maine; and

2. The number of complaints and grievances filed with health insurers and the Bureau of Insurance for denial of coverage for mental health services and the resolution of those complaints and grievances; and be it further

**Sec. 3. Bureau of Insurance report. Resolved:** That the Department of Professional and Financial Regulation, Bureau of Insurance shall submit the report required pursuant to the Maine Revised Statutes, Title 24-A, section 2752 evaluating the proposed mandated health insurance benefit for parity coverage of mental illness and mental disorders, eating disorders and substance abuse to the Joint Standing Committee on Banking and Insurance by January 15, 2002. The report submitted by the bureau must include the information required under sections 1 and 2 of this resolve; and be it further

**Sec. 4. Allocation. Resolved:** That the following funds are allocated from Other Special Revenue funds to carry out the purposes of this resolve.