

MAINE STATE LEGISLATURE

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STATE OF MAINE
ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON
BANKING AND INSURANCE
BILL SUMMARY



JUNE 1987

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JOINT STANDING COMMITTEE
BILL SUMMARIES
JUNE 1987

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The summaries are arranged by LD number under each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "COMMITTEE" if it is a committee amendment.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Please let us know if you would prefer a different format or additional information and if the summaries are helpful.

Key to Committee Reports and Floor Action:

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-A	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

Sponsor: MARTIN, J., Kerry, Kany, Rydell
Committee Report: New Draft of LD 974
Amendments Adopted:
S-151 USHER

SUMMARY: The original bill (LD 974) establishes the Maine High-Risk Insurance Organization which is to make health insurance available for individuals who are unable to obtain adequate health insurance because of existing health conditions. Those persons enrolling in the plan during the first 6 months of the plan's operation would not be subject to any waiting period for any preexisting condition. After that time, the preexisting condition waiting period would be 90 days under most circumstances.

Losses from the plan are funded by an assessment on hospital revenues. The amount is to be adjusted annually by the board of directors of the organization.

Additionally, the original bill provides for a board of directors, appointed by the Governor, to select an administering insurer, establish a plan of operation, establish a subsidy program and set premium rates and schedules. The bill also provides guidelines for benefits, deductibles, copayments, maximum out-of-pocket expenses, premium rates and eligibility.

The original bill provides that the Health Care Finance Commission shall define as charitable care all hospital services to individuals who would meet the financial eligibility guidelines of the medically needy program and that the costs may not be charged to either the individual or the individual's municipality.

The original bill establishes a Select Commission on Access to Health Care to investigate and recommend ways to assure access to adequate health care for all citizens.

The new draft adds the following provisions to the original bill:

1. A requirement that there be no more than 300 people enrolled in the plan;
2. A requirement that the annual assessments be no more than .0015 of hospital revenues;
3. A requirement that the Health Care Finance Commission "pass through" the assessment;

4. A requirement that the High-Risk Insurance Organization present a yearly budget, including estimated losses and hospital assessments to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Banking and Insurance;

5. A requirement that the board of the High-Risk Insurance Commission include a representative from a hospital;

6. A requirement that hospitals use Federal Hill-Burton program guidelines for charity care; and

7. A 3-year sunset review with an explicit review of the funding mechanism.

Senate Amendment A makes a technical amendment by deleting a portion of a sentence that was repeated.

LD	AN ACT TO CLARIFY THE AUTHORITY OF THE	PL 1987
1780	SUPERINTENDENT OF INSURANCE TO ASSIGN RISK FOR	c. 388
	WORKERS' COMPENSATION INSURANCE	

Sponsor: MARTIN, J., Rydell, Theriault, Bustin
Committee Report: New Draft of LD 1537

SUMMARY: The original bill (LD 1537) requires that the assessment for the support of the assigned risk pool in workers' compensation insurance be made on the basis of an insurer's share of the whole market. Currently it is based on the insurer's share of the voluntary market.

The new draft completely replaces the substance the original bill. The new draft gives the Superintendent the express authority to make risk assignments under the plans for the Accident Prevention Account or Safety Pool, if required.