

MAINE STATE LEGISLATURE

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**STATE OF MAINE
114TH LEGISLATURE
FIRST REGULAR SESSION**



**BILL SUMMARY
JOINT STANDING COMMITTEE
ON
BANKING AND INSURANCE**

JULY 1989

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ONE HUNDRED AND FOURTEENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE
BILL SUMMARIES
AUGUST 1989

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 for each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor for floor amendments. Final action is listed to the right of the title. If final House and Senate action differ, both are listed. Committee Reports and Floor Action are abbreviated as follows:

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

Each individual summary was prepared by the analyst assigned, as noted for each committee. But, this document was produced by the efforts of all the office staff, including Research Assistant Barbara McGinn, and secretaries: Charlene Brann, and Valarie Parlin, and especially Laurette Knox who coordinated preparation of the overall document.

Please give us your suggestions and comments on these summaries and tell us of any inaccuracies.

The committee gave LD 94 leave to withdraw, but later amended LD 1320 to include a study of the feasibility of establishing a state fund.

LD 118 **An Act to Amend the Law Concerning Insurance Cancellation Control**

**PUBLIC 172
EMERGENCY**

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
COLLINS ALLEN GARLAND TWITCHELL	OTP-AM	S-92

SUMMARY

This bill would clearly bring surplus lines (i.e., high risk) coverage under the cancellation provisions of Title 24-A sections 2908 (casualty) and 3007 (property), which allow for hearing. Current law is unclear on this point.

CA (S-92) This amendment replaces the bill, but retains certain provisions. It exempts surplus lines insurance from the cancellation hearing requirements of State law. The present applicability of that law is uncertain. The amendment adds a 14 day notice requirement (10 days if for non-payment of premiums) for cancellation or non-renewal of surplus lines.

The amendment retains the exemption of workers' compensation insurance from the general 10 day cancellation notice provision of section 2908 because the Workers' Compensation laws require 30 days notice.

The amendment retains the clarification that the Superintendent of Insurance may order a policy of auto or other casualty insurance or commercial or personal property insurance to remain in force pending a hearing and if the finding is in favor of the insured. If the finding is in favor of the insurer, the superintendent may order the policy to remain in force for a time to allow the insured to obtain other coverage. The amendment specifies that time as 14 days.

The amendment retains the change of reference from the post office department to the postal service, but also changes the presumption of receipt for notice purposes from 3 days to 5 days after mailing.

The amendment also adds an emergency preamble and clause.

LD 134 **An Act to Expand the Types of Mental Health Care Providers Eligible for Insurance Reimbursement**

LV/WD

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
GARLAND O'DEA	LV/WD	

SUMMARY

The provision of statute amended by LD 134 provides that, if an insurance policy or subscriber contract covers mental health services when performed by one type of provider, the policy or contract must also provide reimbursement for that service when it is rendered by other providers who are licensed or certified to provide that service, and who are included in the statutory list of providers eligible for reimbursement. LD 134 would include master social workers in the list for required reimbursement.