

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.

SPONSOR(S)
THERIAULT

COMMITTEE REPORT
OTP-AM

AMENDMENTS ADOPTED
S-170

SUMMARY

The bill subjects title insurance to the "file and use" provisions of the Maine Insurance Code. Under "file and use," an insurer is required to file proposed rates with the superintendent at least 30 days before the effective date of the rates. The superintendent is authorized to hold a hearing and to disapprove the rates if they are excessive, inadequate or unfairly discriminatory, or they violate the Trade Practices and Frauds chapter of the Insurance Code.

The committee amendment (S-170) specifically authorizes the Bureau of Insurance to consider the reasonableness of commission levels and other acquisition costs in determining the reasonableness of proposed rates for title insurance. The filing requirement would apply to rates utilized on or after January 1, 1990.

LD 487 An Act Related to Medical Liability Insurance

LV/WD

SPONSOR(S)
PRAY
MARTIN J
PEARSON
GAUVREAU

COMMITTEE REPORT
LV/WD

AMENDMENTS ADOPTED

SUMMARY

The bill establishes the "Rural Obstetrical Care Incentive Program" which would assist physicians providing prenatal and obstetrical services to areas of the state which are underserved with respect to those services. The program would be administered by the Department of Human Services, and assistance would include compensation for the portion of the physician's malpractice premium attributable to the prenatal or obstetrical services, up to \$6,500.

To be eligible for assistance, a physician would have to be licensed in the state, provide complete obstetrical care, and serve patients without regard to economic status or ability to pay. The Department is required to adopt rules to determine which areas of the state are underserved, the scope of service that must be provided by physicians to qualify for the assistance, and the amount and nature of assistance to be provided to the physician. The Department is required to establish a pilot program in selected regions of the state and to report to the Legislature by March 1, 1991.

LD 510 An Act to Require Physicians Providing Medicare Services to Bill Secondary Payors Directly for Balances Due

LV/WD

SPONSOR(S)
BREWER
KILKELLY

COMMITTEE REPORT
LV/WD

AMENDMENTS ADOPTED

SUMMARY

The bill requires physicians, chiropractors and podiatrists who accept Medicare patients to bill Medicare paying offices directly for services to the patient which are covered by Medicare. Those practitioners would also be required to bill a secondary payor such as Blue Cross for any amounts not payable by Medicare.