

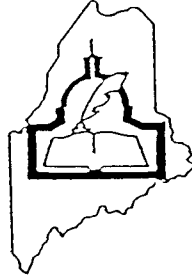
MAINE STATE LEGISLATURE

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



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

JUNE 1990

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Sen. Donald F. Collins

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**One Hundred and Fourteenth Legislature
Second Regular Session**

**Joint Standing Committee
Bill Summaries**

June 1990

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. Committee Reports and Floor Action are abbreviated as follows:

OTP
OTP-ND
OTP-ND-NT
OTP-A
ONTP
LVWD
INDEF PP

Ought to Pass
Ought to Pass in New Draft
Ought to Pass in New Draft, New Title
Ought to Pass as Amended
Ought Not to Pass
Leave to Withdraw
Indefinitely Postponed

Each individual summary was prepared by the analyst or analysts assigned to the committee. But, this document was produced by the efforts of all the office staff, including secretaries: Charlene Raymond, 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.

a claim for a pre-existing condition by a person protected under this provision. These provisions apply to contracts and policies issued or renewed by commercial insurers, health maintenance organizations, or nonprofit service organizations on or after April 1, 1991 and to policies and contracts in force on that date. It also requires policies and contracts in force on that date to cover, from that date forward, all persons who were previously denied coverage, but who would have been covered if the law had been in effect on the date the person became eligible to enroll in the plan. This application rule was added by Senate Amendment "B" (S-675) to the Committee Amendment.

The bill limits pre-existing condition exclusions in most individual health care contracts to 6 months, except that a pre-existing condition that requires ongoing medical observation or treatment may be excluded for up to 24 months. As a result of Senate Amendment "B" (S-675), this limit is applicable to individual policies and contracts issued or renewed by commercial insurers, nonprofit service organizations or health maintenance organizations on or after December 1, 1990.

Finally, the bill creates the Task Force on Health Insurance Continuity, to study all reasonable proposals to ensure continuous health insurance coverage for as many Maine citizens as possible.

LD 2274 was one of three bills relating to continuity of health insurance coverage. See LD 1979 (LV/WD) and LD 2250 (LV/WD).

LD 2291 An Act to Protect Health Insurance Coverage for Citizens on Jury Duty PUBLIC 801

SPONSOR(S) RYDELL THERIAULT HOBBINS PARADIS P	COMMITTEE REPORT OTP-AM	AMENDMENTS ADOPTED H-920
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SUMMARY

LD 2291 prevents an employee from losing health insurance coverage as a result of absence from work to perform jury service, makes termination of coverage as a result of jury service a crime and permits the employee to sue for lost health insurance benefits. The bill also provides that an insurer may not issue a group or blanket health care contract of any kind for residents of this state that contains any provision permitting the termination of coverage if a person covered is called to serve on a jury. The prohibitions on termination of employee health insurance coverage due to jury service take effect on and apply to contracts issued, executed or renewed after January 1, 1991.

The Committee Amendment (H-920) clarifies that employees are protected when they receive or respond to a summons for jury duty only, not for other types of summonses, clarifies terminology, and adds a fiscal note.

LD 2297 An Act to Help Reduce the Incidence of Breast Cancer Mortality in the State and to Revise the Laws Relating to the Mandated Benefits Advisory Commission INDEF PP

SPONSOR(S) ANDREWS RYDELL CLARK N CAHILL P	COMMITTEE REPORT OTP-AM	AMENDMENTS ADOPTED S-645
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SUMMARY

LD 2297 requires all health insurance contracts and policies to include coverage for screening mammograms

for women. The bill includes coverage for mammograms once every 2 years from ages 40 to 49 and then annually for age 50 and over.

The Committee Amendment (S-645) provides for mandated coverage of screening mammograms under the guidelines contained in the original bill, effective for policies issued or renewed on or after March 1, 1991. The amendment exempts certain individual supplemental policies from the mandate. The amendment defines "screening mammograms" and requires mammography programs and providers to meet Department of Human Services rules relating to radiology providers in order to permit reimbursement. The amendment also authorizes the Maine Health Care Finance Commission to collect information from providers of mammography services and authorizes and directs the Bureau of Insurance to collect information from insurers and nonprofit service organizations. The amendment also provides for the Mandated Benefits Advisory Commission to report to the Legislature and the Governor by June 1, 1991 on the relative merits of each of the mandated benefits that are effective as of March 1, 1990. The amendment also adds an allocation and a fiscal note.

Although the bill as amended was indefinitely postponed, its provisions were included in Part I of LD 2503, PL 875, the supplemental appropriation bill.

LD 2310 An Act to Amend the Maine Liability Risk Retention Act PUBLIC 724

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
GARLAND WHITMORE BRANNIGAN RAND	OTP	

SUMMARY

LD 2310 clarifies ambiguities in the Maine Liability Risk Retention Act and makes the current law consistent with recent case law developments. The bill requires that insurers who provide coverage to risk purchasing groups with members in Maine provide coverage to those members in accordance with Maine law regarding policy forms and premium rates. The bill also requires risk purchasing groups with members in Maine to purchase coverage either from risk retention groups or from insurers licensed or on the eligible surplus lines list in Maine.

LD 2337 An Act Relating to Health Maintenance Organizations PUBLIC 842

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
GILL BUSTIN TRACY DONALD	OTP-AM	S-644

SUMMARY

The purpose of this bill is to strengthen regulation of health maintenance organizations (HMO). With the Committee Amendment (S-644) the bill makes the following changes to the laws governing HMO's.

1. It provides more definitive terms and outlines responsibilities of a HMO and its providers.
2. It requires that a feasibility plan be filed by those seeking to establish a HMO.
3. It requires that HMOs disclose their plans for quality control regarding services rendered.