

MAINE STATE LEGISLATURE

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**STATE OF MAINE
115TH LEGISLATURE**

**FIRST REGULAR SESSION
AND
FIRST SPECIAL SESSION**

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

AUGUST 1991

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**ONE HUNDRED AND FIFTEENTH LEGISLATURE
FIRST REGULAR SESSION
AND
FIRST SPECIAL SESSION
JOINT STANDING COMMITTEE
BILL SUMMARIES
AUGUST 1991**

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 volume is organized alphabetically by committee; within each committee, the summaries are arranged by LD number. A subject index is provided at the beginning of each committee's summaries.

All adopted amendments are listed, by paper number (e.g., H - 584 or S - 222), together with the sponsor for floor amendments. Final action on each bill is listed to the right of the title. Various types of final action are abbreviated as follows:

PUBLIC XXX	<i>Chapter # of enacted Public Law</i>
P&S XXX	<i>Chapter # of enacted Private & Special Law</i>
RESOLVE XXX	<i>Chapter # of enacted Resolve</i>
CON RES XXX	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
EMERGENCY	<i>Enacted law takes effect sooner than 90 days</i>
CARRIED OVER	<i>Bill carried over to 2nd Session</i>
FAILED EMERGENCY ENACTMENT	<i>Bill failed to get 2/3 vote</i>
ONTP	<i>Ought Not to Pass report accepted</i>
LVWD	<i>Leave to Withdraw report accepted</i>
INDEF PP	<i>Bill Indefinitely Postponed</i>
DIED BETWEEN BODIES	<i>House & Senate disagree; bill died</i>
VETO SUSTAINED	<i>Legislature failed to override Governor's Veto</i>
UNSIGNED	<i>Not signed by Governor within 10 days</i>
DIED ON ADJOURNMENT	<i>Action incomplete when 1st session ended</i>

These summaries were 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.

If you have any suggestions or comments on these summaries, please let us know.

LD 203 An Act Relating to Medicare Supplement Insurance**PUBLIC 24**

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
GILL	OTP-AM	H-28
RICHARDS		
CLARK N		
TRACY		

SUMMARY

Some elderly persons have difficulty in evaluating Medicare supplement insurance policy options, and there have been cases of policy benefit misrepresentation by agents. This bill would permit only a limited number of standard policy options, resulting in greater ease of policy comparison.

Committee Amendment "A" (H-28) adds an allocation section and a fiscal note to the bill.

LD 205 An Act to Facilitate Workers' Compensation Payments to Injured Workers**ONTP**

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
GAUVREAU	ONTP	
ESTY		
RUHLIN		
BUSTIN		

SUMMARY

This bill establishes the Apportionment Disability Fund to pay workers' compensation benefits to injured employees when no dispute exists over the compensability of the employee's injury but 2 or more insurers are disputing their respective responsibility to pay the benefits. This prevents an injured worker from suffering financial ruin when the injury is clearly compensable but an insurer is unwilling to pay the benefits because that insurer believes that another insurer is responsible.

Under the bill, if an employee is totally incapacitated or dies as a result of a work-related injury, the employee or the employee's dependents receive benefits from the fund while the insurers litigate the question of apportionment. When the Workers' Compensation Commission finally resolves the apportionment questions, the insurers are required to reimburse the fund for their respective shares of benefits paid to the employee from the fund. The Apportionment Disability Fund is initially funded by a one-time assessment of 1/4% on actual paid losses of all workers' compensation insurers and self-insurers. No further assessments are necessary since the fund will be reimbursed for expenditures by the insurers.

LD 215 An Act Concerning Employee Benefits for Workers' Compensation Recipients**ONTP**

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
MCHENRY	ONTP	
PINEAU		

SUMMARY

The purpose of this bill is to address the problem created when injured workers are dismissed from employment and lose the employment benefits previously provided by the employer. A particular problem exists when an injured employee loses health insurance coverage and must obtain similar coverage at the employee's expense after the employee's earnings have been reduced.

The bill requires an employer who provides health and accident insurance or life insurance to the employees who work in positions similar to that in which the injured employee worked to continue providing that same level of coverage to the injured employee. If an employee is killed on the job, the employee's surviving spouse may claim these benefits. If the employer offers additional or extended coverage to employees at the employee's expense, such as health insurance coverage for the employee's family, the injured employee or the surviving spouse can obtain these additional benefits at their own expense. The employer may satisfy the continued coverage requirement by purchasing insurance, creating an extension of existing employee plans to include injured employees, self-insuring or by any combination of these methods. The continued coverage provided by the bill does not apply if the injured employee is covered by an equivalent plan offered by the injured employee's new employer or the employer of the injured employee's spouse. Finally, if the employee has suffered multiple injuries, only the last employer is responsible for providing continued coverage under the bill.

LD 260 An Act to Amend the Workers' Compensation Laws to Encourage ONTP
Safety in the Workplace

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
TUPPER	ONTP	
PINEAU		
HASTINGS		
COLLINS		

SUMMARY

This bill establishes the Safety Pays Program to provide a direct and immediate incentive for employers to maintain safe workplaces and to reward those employers who do so. Under the program, an employer may request that the employer's insurance carrier conduct a safety inspection of the employer's workplace. If the inspection determines that the workplace is safe, according to standards adopted by rule of the Superintendent of Insurance, the insurer has the right to conduct a 2nd surprise inspection at any time during the remainder of the policy year. If that inspection once again finds the workplace to be safe, or if the insurer fails to perform a 2nd inspection, the employer is entitled to receive a 10% rebate of the workers' compensation insurance premium paid during that policy year. If serious safety deficiencies are found during the first inspection, the insurance carrier is required to report those deficiencies to the manager of the workplace, who is allowed a 4-week period in which to correct the deficiencies. If, at the end of the 4-week period, the insurance carrier finds that the deficiencies have not been corrected, the insurance carrier is required to report these deficiencies to the federal Occupational Safety and Health Administration and the Bureau of Labor Standards. The purpose of this bill is to reduce workplace injuries by encouraging greater safety in Maine workplaces and to reward those employers who succeed in providing a safe workplace.

LD 284 An Act to Amend and to Clarify Confidentiality Provisions in CARRIED OVER
the Maine Insurance Code

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
MARSANO		
TRACY		
COLLINS		
BUSTIN		

SUMMARY

Currently, the confidentiality provisions are ambiguous and incomplete regarding the disclosure of records of the Bureau of Insurance pertaining to investigations, complaints and information and other data received in connection with filings or applications. The Maine Revised Statutes, Title 24-A, section 216 prevents disclosure of complaint information to the public except under limited circumstances