

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.

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

and is ambiguous regarding disclosure of bureau records pertaining to disciplinary actions. Laws regarding disclosure of actuarial information submitted with rate filings differ from line to line in haphazard ways. In addition, there is no confidentiality provision to protect financial information received by the bureau from companies during the licensing procedure.

This bill clarifies existing law regarding the confidentiality of investigatory files, bringing the bureau's laws in line with the provisions regarding investigative records of the Department of Professional and Financial Regulation as codified in Title 10, section 8003-B, except to the extent concerns unique to insurance warrant different standards. At the same time the bill provides a comprehensive, consistent and rational confidentiality law which allows for dissemination of valid complaint information regarding companies in the form of complaint ratios to the public and which clarifies provisions in the law pertaining to the confidential nature of actuarial or financial information received by the bureau with filings.

LD 321 An Act Regarding Health Insurance

PUBLIC 333

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
PFEIFFER DORE KETOVER LARRIVEE	OTP-AM	H-354

SUMMARY

This bill requires that all individual health insurance policies, with the exception of policies for hospital indemnity or accidental injury, and all group health insurance policies provide coverage for reconstructive breast surgery for women who have had mastectomies.

Committee Amendment "B" (H-354) replaces the original bill. The amendment defines "medically necessary mastectomy surgery" and includes reconstructive surgery when elected by the patient. Current law requires legislative committees to refer all proposed mandated health benefits to the Mandated Benefits Advisory Commission for study and report back to the Governor and the Legislature. This amendment clarifies the duty of the legislative committee to hold a public hearing and determine whether there is support for a proposal and exempts from referral proposals that fail to receive a vote of support from any committee member. The amendment requires that the report from the Mandated Benefits Advisory Commission be made to the Joint Standing Committee on Banking and Insurance.

LD 339 An Act to Establish the State of Maine Credit Card

DIED BETWEEN BODIES

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
HOGLUND DORE WENTWORTH RAND	OTP-AM ONTP	MAJ MIN

SUMMARY

This bill, modeled on legislation enacted in Montana in 1989, authorizes establishment of a state-sponsored credit card program for the purpose of raising state revenues.

Committee Amendment "A" (H-197) requires the Commissioner of Finance to issue a request for proposals for the state environmental credit card within 180 days of the effective date of the legislation. It restricts the list of institutions that will be eligible to bid on the credit card program to financial institutions and credit unions organized under Maine law. This will restrict the credit card terms to