

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
115TH LEGISLATURE

SECOND REGULAR SESSION

BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
BANKING AND INSURANCE

MAY 1992

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**ONE HUNDRED AND FIFTEENTH LEGISLATURE  
SECOND REGULAR SESSION**

**JOINT STANDING COMMITTEE  
BILL SUMMARIES**

**MAY 1992**

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 far right of the title. Various types of final action are abbreviated as follows:

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

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, 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 1122 An Act to Encourage Medical Cost Containment Measures by Enabling the Establishment of Preferred Provider Arrangements**

ONTP

**SPONSOR(S)**  
MANNING  
GWADOSKY  
THERIAULT

**COMMITTEE REPORT**  
ONTP

**AMENDMENTS ADOPTED**

**SUMMARY**

This bill enables the use of managed care techniques as a means to contain medical costs. Specifically, the bill amends current law to differentiate between types of preferred provider arrangements, simple reimbursement mechanisms as contrasted to capitated arrangements that may be based upon a fixed per member per month payment structure. As proposed, capitated arrangements are required to file more detailed information with the Bureau of Insurance than is required of a simple reimbursement plan.

**LD 1553 An Act to Provide Equitable Insurance Coverage for Mental Illness**

PUBLIC 881

**SPONSOR(S)**  
DORE  
HOGLUND  
MAHANY

**COMMITTEE REPORT**  
OTP-AM MAJ  
ONTP MIN

**AMENDMENTS ADOPTED**  
H-1336 MITCHELL E  
S-775 BRANNIGAN

**SUMMARY**

This bill requires group health insurers to provide 80% coverage for certain outpatient and inpatient treatment for all policies or certificates executed, delivered, issued for delivery, continued or renewed on or after January 1, 1992.

This bill provides that certain biologically based severe mental disorders are covered in the same manner as any other biologically based diseases or disorders of the brain for the purposes of health insurance coverage.

Senate Amendment "A", S-775, delays the implementation of the benefit changes for one year, then begins benefit changes on a 3-year schedule, ending with parity of benefits on July 1, 1996. The amendment requires Blue Cross Blue Shield of Maine to report to the Legislature on or before May 1, 1993 regarding costs for coverage specified in the bill and amendment. The amendment also adds a fiscal note.

House Amendment "A", H-1336, clarifies a potential ambiguity in the Senate Amendment "A", specifying that the references to mental illness in the maximum lifetime benefit paragraphs are to mental illnesses listed in paragraph A.