

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.

SPONSOR(S)

CARLETON
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 BRAWN

COMMITTEE REPORT

OTP-AM

AMENDMENTS ADOPTED

H-937

SUMMARY

This bill makes several technical corrections and clarifications to the health insurance continuity laws enacted in 1990. Specifically, the bill:

1. Clarifies the meaning of the term "evidence of individual insurability," which has been the subject of much confusion;
2. Clarifies the applicability of the law to subgroups;
3. Provides continuity to those who lose coverage due to termination of their employer's health insurance plan and apply for coverage under their spouse's plan;
4. Renumbers existing statutory provisions in order to eliminate duplicate numbering; and
5. Makes the health insurance continuity law applicable only to medical insurance. As currently written, the law applies to short-term disability insurance and could be interpreted to apply to life insurance. The current law does not specify how to distinguish long-term from short-term disability and there is no rational basis for doing so. The law was never intended to apply to life insurance.

Committee Amendment "A", H-937, clarifies that the extension of benefits law does not apply to group short-term disability policies.

SPONSOR(S)

CLARK N
 CONSTANTINE
 CARLETON

COMMITTEE REPORT

ONTP

AMENDMENTS ADOPTED**SUMMARY**

This bill requires that hospital indemnity and cancer insurance applications, policies and contracts inform all purchasers over the age of 65 years that the insurance may be more than they need if they have Medicare supplement or major medical insurance. There is standard language for the applications, policies and contracts and the Bureau of Insurance consumer information telephone number.

The provisions of this bill were incorporated into LD 2144 which became PL 740.