

MAINE STATE LEGISLATURE

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STATE OF MAINE
116TH LEGISLATURE

SECOND REGULAR SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
BANKING AND INSURANCE

MAY 1994

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

**JOINT STANDING COMMITTEE
BILL SUMMARIES**

MAY 1994

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.

The committee report or reports, the prime sponsor for each bill and the lead co-sponsor in each house if one has been designated are listed below each bill title. All adopted amendments are listed, by paper number, 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

P&S XXX

RESOLVE XXX

CON RES XXX

EMERGENCY

ONTP

INDEF PP

FAILED ENACTMENT

FAILED EMERGENCY ENACTMENT

FAILED MANDATE ENACTMENT

DIED BETWEEN BODIES

CONF CMTE UNABLE TO AGREE

VETO SUSTAINED

UNSIGNED

DIED ON ADJOURNMENT

Chapter # of enacted Public Law

Chapter # of enacted Private & Special Law

Chapter # of enacted Resolve

Chapter # of Constitutional Resolution passed by both Houses

Enacted law takes effect sooner than 90 days

Ought Not to Pass report accepted

Bill Indefinitely Postponed

Bill failed to get majority vote

Emergency bill failed to get 2/3 vote

Bill imposing local mandate failed to get 2/3 vote

House & Senate disagree; bill died

Committee of Conference unable to agree; bill died

Legislature failed to override Governor's Veto

Not signed by Governor within 10 days

Action incomplete when session ended; bill died

These summaries were prepared by the analyst or analysts assigned to the committee. If you have any suggestions or comments on the summaries, please let us know.

5581LHS

required security deposits, employers utilizing a guarantee are limited to a security bond. Such bonds may be considerably more expensive than letters of credit.

This bill allows employers who rely upon guarantees for purposes of qualifying for self-insurance to utilize letters of credit when posting security deposits, in the same manner as current law allows for other employers. All such security deposits remain subject to the standards provided by law and review by the Superintendent of Insurance.

COMMITTEE AMENDMENT "A" (H-726) lowers the minimum amount of security needed for employers utilizing guarantees to qualify for self-insurance authority from \$1,000,000 to \$100,000. It allows the Superintendent of Insurance to establish the required security amounts by using the same formula used to calculate required security for an employer that qualifies for self-insurance by a means other than an affiliate guarantee. The amendment also corrects a cross-reference in the Maine Revised Statutes, Title 39-A, section 403, subsection 7.

LD 1615

An Act to Repeal the Sunset on Rating Practices in Small Group Health Plans and Individual Health Insurance

PUBLIC 546

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
PINEAU	OTP MAJ	
ESTY	OTP-AM MIN	

SUMMARY

This bill repeals the sunset provisions of the individual and small group rating practice laws in health insurance.

LD 1617

An Act to Clarify the Display of Social Security Numbers on Insurance-related Identification Cards

PUBLIC 533
EMERGENCY

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
KIEFFER	OTP-AM	H-781 HEESCHEN

SUMMARY

Public Law 1993, chapter 115 prohibits a business operating in this State from displaying a social security number on a credit card, customer service card or debit card. The public law has been interpreted by a major vendor doing business with the state employee health insurance program as prohibiting the use of social security numbers on the prescription and dental plans provided to state employees and retirees. This bill clarifies the use of social security numbers for the purpose of identification for medical insurance, including health and dental insurance and prescription drug coverage.

HOUSE AMENDMENT "A" (H-781) permits the use of social security numbers as identification for medical insurance only until July 1, 1995. This amendment also directs the state employee health insurance program to develop alternatives to the use of social security numbers and report its findings to the joint standing committee of the Legislature having jurisdiction over banking and insurance matters by February 1, 1995.

See also LD 1734.