

MAINE STATE LEGISLATURE

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STATE OF MAINE
117TH LEGISLATURE

FIRST REGULAR SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
BANKING AND INSURANCE

AUGUST 1995

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**ONE HUNDRED AND SEVENTEENTH LEGISLATURE
FIRST REGULAR SESSION**

**SUMMARY OF LEGISLATION BEFORE
THE JOINT STANDING COMMITTEES**

AUGUST 1995

This document is a compilation of the bill summaries prepared by this office for the Joint Standing 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 publication, History and Final Disposition of Legislative Documents, is helpful in determining to which committee any particular bill was referred.

In this document, 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 categories of final action are abbreviated as follows:

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

These summaries were prepared by the analyst or analysts assigned to the committee. If more detailed information is needed on a bill, contact the committee analyst.

5581LHS

5. It provides that chiropractic providers performing duties under this provision are liable for professional diagnoses of mental or physical conditions resulting in actions that endanger the health or safety of an enrollee.
6. It exempts the State Employee Health Program from the requirements of the mandate.
7. It provides an effective date of January 1, 1996 and a repeal date of March 1, 1998.

SENATE AMENDMENT "A" (S-290) to COMMITTEE AMENDMENT "A" reduces the number of visits for which an enrollee may receive benefits from 12 visits to 6 visits. The maximum number of visits without the prior approval of the primary care provider is reduced from 36 visits to 16 visits. Senate Amendment "A" was not adopted.

SENATE AMENDMENT "B" (2-291) to COMMITTEE AMENDMENT "A" limits the self-referral by an enrollee in a health maintenance organization for chiropractic services to treatment of adults with acute lower back problems. Senate Amendment "B" was not adopted.

SENATE AMENDMENT "C" (S-292) to COMMITTEE AMENDMENT "A" removes the provisions exempting contracts between a health maintenance organization and the state employee health insurance program from the requirements of the mandate. The amendment also adds a fiscal note. Senate Amendment "C" was not adopted.

LD 402 **An Act to Require Insurance Companies to Make Discounted Premiums Available to Drivers 55 Years of Age or Older Who Complete Motor Vehicle Accident Prevention Courses** ONTP

SPONSOR(S) JOY	COMMITTEE REPORT ONTP	AMENDMENTS ADOPTED
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SUMMARY

This bill requires insurance companies to offer drivers 55 years of age or older a discounted premium if the insured completes an accident prevention course approved by the Bureau of Motor Vehicles.

LD 419 **An Act to Expedite the Hearing Process Relating to the Uniform Classification System Used in Workers' Compensation Insurance** PUBLIC 317

SPONSOR(S) AMERO	COMMITTEE REPORT OTP-AM MAJ ONTP MIN	AMENDMENTS ADOPTED S-233
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SUMMARY

This resolve directs the Superintendent of Insurance to review the uniform classification system used in workers' compensation insurance by the independent advisory organization designated by the superintendent. It directs the superintendent to examine the job descriptions included within the category of cement manufacturing and to determine the job descriptions appropriate to that classification. By January 1, 1996, the superintendent shall report to the joint standing committee of the Legislature having jurisdiction over banking and insurance matters on the review and any action taken as a result of the review.

COMMITTEE AMENDMENT "A" (S-233) is the majority report and replaces the original bill. The amendment changes the bill from a resolve to an act and provides individuals the right to a hearing when aggrieved by the application of the workers' compensation insurance rating system. Upon written request, the appeal may be made directly to the Superintendent of Insurance and a hearing must be held within 60 days of the request. The amendment also adds a fiscal note.

LD 425 An Act to Stabilize Health Insurance Rates for Small Businesses DIED BETWEEN BODIES

SPONSOR(S)	COMMITTEE REPORT		AMENDMENTS ADOPTED
MCCORMICK	OTP-AM	MAJ	
	ONTP	MIN	

SUMMARY

This bill extends the community rating requirements to small groups of 50 or fewer members. Under current law, the community rating applies to groups with fewer than 25 insured members.

COMMITTEE AMENDMENT "A" (S-62) is the majority report and adds a fiscal note to the bill. Committee Amendment "A" was not adopted.

LD 435 An Act to Prohibit Insurers from Cancelling the Policies of Elected Officials ONTP

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
CLEVELAND	ONTP	

SUMMARY

This bill makes it an unfair trade practice for an insurer to cancel or refuse to renew the insurance policy or contract of any person who has been elected to political office solely because that person is serving or has served as an elected official.

LD 442 An Act to Exclude Short-term Health Insurance Policies in the Continuity Laws PUBLIC 342

SPONSOR(S)	COMMITTEE REPORT		AMENDMENTS ADOPTED
CAMERON	OTP-AM	MAJ	H-124
	ONTP	MIN	H-161 LUMBRA

SUMMARY

This bill requires insurance carriers to offer individual short-term health insurance policies and contracts to individuals who were covered under a group policy and are eligible for the continuity protections of the law. This bill exempts individual short-term health contracts and policies from the requirements relating to guaranteed renewal and continuity of coverage.

COMMITTEE AMENDMENT "A" (H-124) is the majority report and adds a new title that clarifies the original intent of the bill. The amendment clarifies that individuals covered under short-term policies are not provided continuity of coverage if they seek coverage under a guaranteed renewable contract. The amendment requires insurers, agents and brokers to make full disclosure that the short-term policy is exempt from continuity of coverage, guaranteed renewal and any limitation on preexisting condition exclusions. The amendment also requires individuals to disclose prior coverage, if any, under a short-term policy when making an application for individual, short-term health insurance. The amendment adds a fiscal note as well.