

MAINE STATE LEGISLATURE

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**STATE OF MAINE
119TH LEGISLATURE**

FIRST REGULAR SESSION

**BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
BANKING AND INSURANCE**

JULY 1999

MEMBERS:

Sen. Lloyd P. LaFountain III, Chair

Sen. Neria R. Douglass.

Sen. I. Joel Abromson

Rep. Jane W. Saxl, Chair

Rep. Christopher P. O'Neil

Rep. Joseph C. Perry

Rep. Benjamin F. Dudley

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Rep. Kevin J. Glynn

Rep. Robert W. Nutting

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ONE HUNDRED NINETEENTH LEGISLATURE
FIRST REGULAR SESSION

Summary Of Legislation Before The Joint Standing and Select Committees
August 1999

We are pleased to provide this summary of all bills that were considered by the Joint Standing and Select Committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing and select committees.

The document is organized for convenient reference to information on bills considered by the committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CARRIED OVER..... *Bill carried over to Second Regular Session*
CON RES XXX..... *Chapter # of Constitutional Resolution passed by both Houses*
CONF CMTE UNABLE TO AGREE..... *Committee of Conference unable to agree; bill died*
DIED BETWEEN BODIES..... *House & Senate disagree; bill died*
DIED IN CONCURRENCE..... *One body accepts ONTP report; the other indefinitely postpones the bill*
DIED ON ADJOURNMENT..... *Action incomplete when session ended; bill died*
EMERGENCY..... *Enacted law takes effect sooner than 90 days*
ENACTMENT FAILED..... *Bill failed to get vote required for enactment or final passage*
NOT PROPERLY BEFORE THE BODY..... *Ruled out of order by the presiding officers; bill died*
INDEF PP..... *Bill Indefinitely Postponed*
ONTP..... *Ought Not To Pass report accepted*
OTP ND..... *Committee report Ought To Pass In New Draft*
OTP ND/NT..... *Committee report Ought To Pass In New Draft/New Title*
P&S XXX..... *Chapter # of enacted Private & Special Law*
PUBLIC XXX..... *Chapter # of enacted Public Law*
RESOLVE XXX..... *Chapter # of finally passed Resolve*
UNSIGNED..... *Bill held by Governor*
VETO SUSTAINED..... *Legislature failed to override Governor's Veto*

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 18, 1999.

action taken on the application for credit or the date of the closing, whichever is later, or 90 days after the application is withdrawn.

The amendment also proposed to add a fiscal note to the bill.

Enacted law summary

Public Law 1999, chapter 150 conforms portions of Maine’s consumer credit laws to federal law and makes changes in those laws. It provides that consumers are entitled to a copy of a written agreement in a consumer credit transaction upon consummation of the transaction or within a reasonable period of time after the transaction. It allows unsecured open-end credit card accounts to increase penalties, interest or other charges without requiring an offer by the creditor to finance the outstanding unpaid balance by separate loan arrangement at the prior rate of interest according to the prior repayment schedule.

Public Law 1999, chapter 150 also provides that a person is entitled to one copy of a real estate appraisal from a creditor or financial institution if the request is made within 90 days after the creditor or financial institution has provided notice of action taken on the application for credit or the date of closing, whichever is later, or 90 days after the application is withdrawn.

LD 1619

An Act to Create a Patients' Bill of Rights

CARRIED OVER

Sponsor(s)
LAWRENCE

Committee Report

Amendments Adopted

LD 1619 proposes to establish a "Patients' Bill of Rights" for Maine residents enrolled in HMO's and other health plans. It proposes to protect access to appropriate physicians and proper medical care and provide a means of recourse for patients who have been improperly denied such access. The bill proposes to:

1. Ensure access to obstetrical and gynecological care;
2. Ensure access to specialty care for seriously ill patients;
3. Ensure continuity of care when a physician is dropped from a health plan;
4. Ensure access to prescription drugs;
5. Ensure access to clinical trials;
6. Provide patients with access to an independent external review of decisions regarding health care coverage and services;
7. Prohibit offering financial incentives to providers to limit necessary and appropriate medical care;
8. Establish an independent consumer assistance program to provide assistance and advocacy services to patients in selecting a health insurance plan, utilizing the plan and filing grievances and appeals of plan decisions;
9. Provide patients with the right to sue their health plan if the plan's failure to exercise ordinary care in making treatment decisions causes an injury to a patient; and
10. Require health plans to disclose information about their costs, benefits and performance.

LD 1619 has been carried over to the Second Regular Session.

See related bills LD 631, 750 and 1890.

LD 1640 **An Act Regarding Service Contracts** **CARRIED OVER**

<u>Sponsor(s)</u> ABROMSON		<u>Committee Report</u>		<u>Amendments Adopted</u>
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LD 1640 proposes to establish regulatory standards for providers of service contracts and exempts these contracts from all other provisions of the Maine Insurance Code. It also proposes to exempt from the Maine Insurance Code:

1. Warranties;
2. Maintenance agreements;
3. Warranties, service contracts and maintenance agreements offered by public utilities on their transmission devices to the extent they are regulated by the Public Utilities Commission; and
4. Service contracts sold or offered for sale to persons other than consumers.

LD 1640 has been carried over to the Second Regular Session.

LD 1660 **An Act to Provide Reasonable Compensation for Vehicles Damaged in Accidents** **ONTP**

<u>Sponsor(s)</u> KILKELLY PIEH		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1660 proposed to require that motor vehicle insurance policies provide coverage to return insured vehicles damaged in an accident to operating condition or, if an insured vehicle is destroyed in an accident, provide coverage to replace the destroyed vehicle with a vehicle in similar condition to the destroyed vehicle prior to its destruction.

LD 1661 **An Act to Allow Fair Access to Long-term Care Insurance** **ONTP**

<u>Sponsor(s)</u> LIBBY		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1661 proposed to require insurers and nonprofit hospital and medical service organizations and nonprofit health care plans that offer federally qualified long-term care insurance policies to also offer similar nonqualified long-term care policies that do not contain the federally required contractual provisions and definitions.