MAINE STATE LEGISLATURE

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STATE OF MAINE 119TH LEGISLATURE

SECOND REGULAR SESSION

BILL SUMMARIES JOINT STANDING COMMITTEE ON BANKING AND INSURANCE

JULY 2000

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 Rep. John G. Richardson, Jr. Rep. Nancy B. Sullivan Rep. Arthur F. Mayo III Rep. Sumner A. Jones, Jr. Rep. Kevin J. Glynn Rep. Robert W. Nutting

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ONE HUNDRED NINETEENTH LEGISLATURE SECOND REGULAR SESSION

Summary Of Legislation Before The Joint Standing Committees July 2000

We are pleased to provide this summary of 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, <u>History and Final Disposition of Legislative Documents</u>, 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:

CON RES XXXCh	apter # of Constitutional Resolution passed by both Houses
DIED BETWEEN BODIES	House & Senate disagree; bill died
	ccepts ONTP report; the other indefinitely postpones the bill
	Action incomplete when session ended; bill died
EMERGENCY	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL PASSAGE	Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	Bill failed to get majority vote
FAILED MANDATE ENACTMENT	Bill imposing local mandate failed to get 2/3 vote
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 LawChapter # of enacted Public Law
PUBLIC XXX	Chapter # of enacted Public Law
RESOLVE XXX	Chapter # of finally passed Resolve
UNSIGNED	Bill held by GovernorLegislature failed to override Governor's Veto
VETO SUSTAINED	Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is August 11, 2000.

An Act Regarding Dependent and Family Coverage in the State Employee Health Insurance Program

ONTP

Sponsor(s)	Committee Report	Amendments Adopted
DAGGETT	ONTP	

LD 1787, which was carried over from the First Regular Session, proposed to require the state employee health insurance program to treat the children of 2 unmarried state employees the same as it does the children of 2 married state employees when offering and establishing costs for health insurance. The bill proposed to require the state to offer so-called "split contracts" to unmarried state employees on the same basis and cost as if offered to married state employees.

LD 2029 An Act to Update and Amend the Preferred Provider Arrangement Act

Sponsor(s)	Committee Report	Amendments Adopted
SAXL J	OTP-AM	H-860
ABROMSON		

LD 2029 was submitted on behalf of the Department of Professional and Financial Regulation and carried over from the First Regular Session. LD 2029 proposed to accomplish the following:

- 1. It makes definitions in the Maine Revised Statutes, Title 24-A, chapter 32 more consistent with those in Title 24-A, chapter 56-A;
- 2. It adds geographic accessibility standards for preferred provider arrangements, consistent with those of health maintenance organizations;
- 3. It provides for the incorporation of downstream risk arrangements;
- 4. It requires a preferred provider administrator who handles money to be licensed as a 3rd-party administrator, rather than being subject to separate standards as they are currently; and
- 5. It requires registered preferred provider arrangements to generate annual reports consistent with existing law.

Committee Amendment "A" (H-860) replaced the bill.

Preferred provider arrangements, PPAs, include a contract, agreement or arrangement between a carrier or administrator and a provider in which the provider agrees to provide health care services to a health plan enrollee whose plan benefits include incentives, typically a discount, for the enrollee to use the services of that provider. PPAs often serve as the provider network for carriers offering discount arrangements. In some instances, a PPA is the provider network for health maintenance organizations, HMOs. A gatekeeper PPA mirrors an HMO point-of-service product. Because of the similarities between a PPA and an HMO, the amendment proposed to standardize the reporting and filing requirements.