

# MAINE STATE LEGISLATURE

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*State Of Maine  
120th Legislature*

*First Regular Session*

*Bill Summaries*

*Joint Standing Committee  
on  
Banking and Insurance*

*August 2001*

**Members:**

*Sen. Lloyd P. LaFountain III, Chair*

*Sen. I. Joel Abromson*

*Sen. Neria R. Douglass*

*Rep. Christopher P. O'Neil, Chair*

*Rep. Benjamin F. Dudley*

*Rep. Nancy B. Sullivan*

*Rep. Marilyn E. Canavan*

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*Rep. William J. Smith*

*Rep. Arthur F. Mayo III*

*Rep. Kevin J. Glynn*

*Rep. Florence T. Young*

*Rep. John M. Michael*

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**Maine State Legislature**  
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**120th Legislature**  
**First Regular Session**

**Summary Of Legislation Before The Joint Standing Committees**  
**August 2001**

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing 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 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](http://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
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
ONT P.....	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 21, 2001**.

**David E. Boulter, Director**  
Offices Located in the State House, Rooms 101/107/135

## Joint Standing Committee on Banking and Insurance

LD 403

### An Act to Provide Health Insurance Coverage for General Anesthesia and Associated Facility Charges for Dental Procedures for Certain Vulnerable Persons

PUBLIC 423

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ABROMSON	OTP-AM MAJ	S-300
SCHNEIDER	OTP-AM MIN	

LD 403 proposed to require that health insurers and health maintenance organizations provide coverage for general anesthesia and associated facility charges for dental procedures rendered in a hospital for certain eligible enrollees, including persons with developmental disabilities and persons whose health is compromised and for whom general anesthesia is medically necessary. This bill does not provide coverage for charges for the dental procedure itself, including, but not limited to, the professional fee of the dentist.

**Committee Amendment "A" (S-300)** was the majority report of the committee and replaced the bill. Like the bill, the amendment proposed to require that health insurers and health maintenance organizations provide coverage for general anesthesia and associated facility charges for dental procedures rendered in a hospital for certain eligible enrollees, including persons with developmental disabilities and persons whose health is compromised and for whom general anesthesia is medically necessary. As in the bill, coverage would not be provided for charges for the dental procedure itself, including, but not limited to, the professional fee of the dentist. The amendment proposed to clarify that coverage under a dental insurance policy is primary and health insurance coverage is secondary and make other clarifications in the language.

The amendment would apply to all policies, contracts and certificates issued or renewed on or after January 1, 2002. The amendment also added a fiscal note to the bill.

#### *Enacted law summary*

Public Law 2001, chapter 423 requires that health insurers and health maintenance organizations provide coverage for general anesthesia and associated facility charges for dental procedures rendered in a hospital for certain eligible enrollees, including persons with developmental disabilities and persons whose health is compromised and for whom general anesthesia is medically necessary. The law does not require coverage for charges for the dental procedure itself, including, but not limited to, the professional fee of the dentist.

Public Law 2001, chapter 423 applies to all policies, contracts and certificates issued or renewed on or after January 1, 2002.

**LD 412**

### An Act to Amend the Maine Consumer Credit Code

PUBLIC 82

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEIL	OTP-AM	H-80
DOUGLASS		

## Joint Standing Committee on Banking and Insurance

LD 412 proposed to change the requirement on allowing deferment of the first periodic payment in a closed-end credit sale or loan from not more than 90 days to not more than 12 months.

**Committee Amendment "A" (H-80)** proposed to clarify that interest or costs may not be assessed against a consumer as the result of any period of deferral of the initial payment in a closed-end credit sale or loan. The assessment of allowable costs would be permitted if those costs are not associated with the deferral, such as costs incurred by default other than for nonpayment. The amendment also added a fiscal note to the bill.

### *Enacted law summary*

Public Law 2001, chapter 82 allows a creditor to permit a consumer to delay the first periodic payment on a closed-end credit sale or loan for up to 12 months. Under current law, deferral is only permitted for up to 90 days.

Public Law 2001, chapter 82 also prohibits the assessment of interests or costs against a consumer during the deferral period, but permits assessment of allowable costs not associated with the deferral such as costs incurred by default other than for nonpayment.

**LD 413**

**An Act to Amend the Definition of "Health Insurance"**

**PUBLIC 79  
EMERGENCY**

Sponsor(s)  
O'NEIL

Committee Report  
OTP-AM

Amendments Adopted  
H-81

LD 413 proposed to remove certain limited benefit insurance products from the definition of health insurance and related terms as they relate to mandated medical benefits, coverages and rights involving health care practitioner, hospital, surgical or outpatient services or other forms of medical care.

**Committee Amendment "A" (H-81)** replaced the bill. The amendment proposed to exclude certain limited benefit health insurance products from the definition of "health insurance" and related terms as the terms apply to laws mandating medical benefits and coverage for certain specific health services, specific diseases or certain providers of health care services and to rights and obligations required under Maine Revised Statutes, Title 24-A, chapter 56-A enacted after the effective date of the bill.

The amendment also added an emergency preamble, emergency clause and fiscal note to the bill.

### *Enacted law summary*

Public Law 2001, chapter 79 excludes certain limited benefit health insurance products from the definition of "health insurance" and related terms as the terms apply to laws enacted after the effective date of this law that mandate medical benefits and coverage for certain specific health services, specific diseases or certain providers of health care services and that require certain rights and obligations under the Maine Revised Statutes, Title 24-A, chapter 56-A. The effect of Public Law 2001, chapter 79 is to exempt accidental injury, specified disease, hospital indemnity, disability income, Medicare supplement, long-term care or other limited benefit health insurance from having to comply with mandated benefit laws.

Public Law 2001, chapter 79 was enacted as an emergency measure effective May 2, 2001.