

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

*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
Rep. Lisa T. Marrache
Rep. William J. Smith
Rep. Arthur F. Mayo III
Rep. Kevin J. Glynn
Rep. Florence T. Young
Rep. John M. Michael*

Staff:

Colleen McCarthy Reid, Legislative Analyst

*Office of Policy and Legal Analysis
13 State House Station
Augusta, ME 04333
(207) 287-1670*



Maine State Legislature
OFFICE OF POLICY AND LEGAL ANALYSIS

13 State House Station, Augusta, Maine 04333-0013
 Telephone: (207) 287-1670
 Fax: (207) 287-1275

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).

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*
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 21, 2001**.

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

Joint Standing Committee on Banking and Insurance

3. It limits the consumer's liability for the property to the least of the fair market value, early purchase option price, remaining rent or repair costs.
4. It lengthens the time consumers have in which to reinstate the rental-purchase agreement.
5. It requires merchants to display a point-of-rental placard for any item offered for rental-purchase.
6. It tailors provisions of the Maine Fair Debt Collection Practices Act to rental-purchase agreements.

LD 1217 **An Act to Create Uniform Underwriting Standards for Determining Eligibility for Certain Group Policies** **PUBLIC 400**

<u>Sponsor(s)</u> GOLDTHWAIT BERRY R	<u>Committee Report</u> OTP-AM	<u>Amendments Adopted</u> S-270
--	-----------------------------------	------------------------------------

LD 1217 proposed to establish criteria for determining when an employer qualifies as an eligible group for 2-person group coverage.

Committee Amendment "A" (S-270) replaced the bill and proposed to establish criteria for determining when an employer qualifies as an eligible group for 2-person group coverage. The amendment would clarify that the criteria apply to those employers applying for 2-person group coverage on or after October 1, 2001.

Enacted law summary

Public Law 2001, chapter 400 establishes criteria for determining when an employer qualifies as an eligible group for 2-person group health insurance coverage. The eligibility criteria apply to those employers applying for 2-person group coverage on or after October 1, 2001.

LD 1277 **An Act to Establish a Single-payor Health Care System** **DIED ON
ADJOURNMENT**

<u>Sponsor(s)</u> VOLENIK RAND	<u>Committee Report</u> OTP-AM MAJ ONTP MIN	<u>Amendments Adopted</u> H-514 H-680 VOLENIK
--------------------------------------	---	--

LD 1277 proposed to establish the Maine Single-payor Health Care Plan. It would establish the Agency of Health Security as an independent agency to administer the plan. Under the plan, enrollees would choose their own health care providers and the plan would pay their bills. Coverage under the plan would be supplemental to other coverage. The bill would require a report from the Health Security Board to the joint standing committee of the Legislature having jurisdiction over human resources matters on the options for coordination of the plan with other health care plans and for the plan to take over coverage of some persons covered by those health care plans. The

Joint Standing Committee on Banking and Insurance

bill also would require an annual report from the board to the Governor and the Legislature on the operation and activities of the plan.

Committee Amendment "A" (H-514) was the majority report of the committee. The amendment proposed to clarify the definition of "resident" for the purposes of establishing eligibility for coverage under the Maine Single-payor Health Care Plan. It also clarified the duties of the Health Security Board. The amendment specified that the Commissioner of Human Services or the commissioner's designee is a member of the Health Security Board and added 6 additional members to the Health Security Board, including 2 Legislators, a member representing mental health consumers, a member representing persons with disabilities, a physician and a public member. It directed the Department of Human Services to apply for a waiver from the Federal Government to operate the Medicaid program in coordination with the Maine Single-payor Health Care Plan.

The amendment also added an appropriation section and a fiscal note to the bill.

House Amendment "C" to Committee Amendment "A" (H-680) proposed to delay the effective date of the Maine Single-payor Health Care Plan until January 1, 2003 and establish in the interim a board composed of the same members as the Health Security Board to conduct a feasibility study of economic impacts of the plan on individuals and businesses of payment options and to develop proposals for implementation of the Maine Single-payor Health Care Plan. The amendment would authorize the board to introduce legislation to the Second Regular Session of the 120th Legislature, allowing the Legislature to make modifications to the plan prior to the plan's effective date of January 1, 2003.

House Amendment "A" to Committee Amendment "A" (H-542) proposed to establish a gross receipts tax and a compensating use tax for the privilege of engaging in the sale or use of property and services in the State to fund the Maine Single-payor Health Care Plan. The tax would begin July 1, 2002 at 1% of gross receipts on the value of the property or service sold or used and increase 1% each year until it reaches 6%. The amendment directed the Health Security Board to implement the Maine Single-payor Health Care Plan incrementally, within available resources and fully implemented the plan no later than July 1, 2007. House Amendment "A" to Committee Amendment "A" was not adopted.

House Amendment "B" to Committee Amendment "A" (H-564) proposed to limit coverage under the Maine single-payor health plan to catastrophic health care coverage for medically necessary services after an enrollee has paid a \$10,000 deductible. House Amendment "B" to Committee Amendment "A" was not adopted.

Senate Amendment "A" to Committee Amendment "A" (S-296) proposed to prioritize the duties of the Health Security Board. The amendment would require the board to first determine the percent of health care benefits that are paid from automobile insurance, general liability insurance and workers' compensation insurance; assess what savings are associated with a simplified billing system; assess what savings schools and correctional facilities would recognize with a single-payor system based on their current expenses for occupational therapy, physical therapy and speech therapy; and assess what savings are associated with a single-payor system by comparing hospitals of similar size in Maine and other states. Senate Amendment "A" to Committee Amendment "A" was not adopted.

LD 1277 was placed on the Special Appropriations Table in the Senate and died on adjournment. However, the substantive provisions of House Amendment "C" requiring a study of the feasibility and implementation of a single-payor health care system were enacted in the Part II budget, Public Law 2001, chapter 439, Part ZZZ.