

MAINE STATE LEGISLATURE

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*State Of Maine
120th Legislature*

Second Regular Session

Bill Summaries

*Joint Standing Committee
on
Banking and Insurance*

May 2002

Members:

*Sen. Lloyd P. LaFountain III, Chair
Sen. Mary E. Small
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
Second Regular Session

Summary Of Legislation Before The Joint Standing Committees
May 2002

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 organized for convenient reference to information on bills considered by the committees. It is arranged alphabetically by committee name and within committees by bill (LD) number.

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 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
PASSED..... Joint Order passed in both bodies
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 Second Regular Session (unless otherwise specified in a particular law) is July 25, 2002.

Patrick T. Norton, Interim Director
Offices located in Room 215 of the Cross Office Building

Joint Standing Committee on Banking and Insurance

Enacted law summary

Resolve 2001, chapter 118 authorizes final adoption of portions of Chapter 750: Standardized Health Plans, Part II HMO Guidelines, a major substantive rule of the Department of Professional and Financial Regulation.

Resolve 2001, chapter 118 was enacted as an emergency measure effective April 11, 2002.

LD 2146

An Act to Establish the Maine Consumer Choice Health Plan

PUBLIC 708

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BENNETT	OTP-AM	S-530 S-548 LAFOUNTAIN S-606 GOLDTHWAIT

LD 2146 proposed to establish the Maine Consumer Choice Health Plan as an independent executive agency to negotiate and provide health care coverage to residents of Maine, including individuals and employers.

Committee Amendment "A" (S-530) replaced the bill. It proposed to establish the Maine Consumer Choice Health Plan as an independent executive agency to act as a purchasing alliance open to individuals and small employers. The Maine Consumer Choice Health Plan is governed by a 5-member board of directors appointed by the Governor and confirmed by the Legislature. The Maine Consumer Choice Health Plan is required to contract with participating health insurance carriers to offer at least 3 health benefit plans to enrollees, a fee-for-service plan, a managed care plan and a point-of-service plan. The amendment also added a fiscal note to the bill.

Senate Amendment "A" to Committee Amendment "A" (S-548) proposed to require the Board of Directors of the Maine Consumer Choice Health Plan to report jointly with the Superintendent of Insurance and the joint standing committee of the Legislature having jurisdiction over insurance matters regarding the feasibility of requiring insurance carriers to offer only board-authorized plans.

Senate Amendment "B" to Committee Amendment "A" (S-606) proposed to reduce from \$750,000 to \$700,000 the cap on funds used as a working capital advance for the initial operating expenses of the Maine Consumer Choice Health Plan.

Enacted law summary

Public Law 2001, chapter 708 establishes the Maine Consumer Choice Health Plan as an independent executive agency to act as a voluntary purchasing alliance open to individuals and small employers of 50 or fewer employees. The Maine Consumer Choice Health Plan is governed by a 5-member board of directors appointed by the Governor and confirmed by the Legislature. The Maine Consumer Choice Health Plan is required to contract with participating health insurance carriers to offer at least 3 health benefit plans to enrollees: a fee-for-service plan, a managed care plan and a point-of-service plan.

Joint Standing Committee on Banking and Insurance

Public Law 2001, chapter 708 permits the Board of Directors to establish procedures and adopt rules for different risk pools and a risk adjustment mechanism for the plan. Legislative review and approval is required before final adoption of any rules adopted relating to the establishment of risk pools or a risk adjustment mechanism.

Public Law 2001, chapter 708 also requires the Board of Directors, the Superintendent of Insurance and the joint standing committee of the Legislature having jurisdiction over insurance matters to report to the Legislature regarding the feasibility of requiring all insurance carriers to offer only board-authorized plans by January 1, 2005.

LD 2198

An Act to Provide Maine State Retirement System Representation on the State Employee Health Commission

PUBLIC 636

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
EDMONDS	OTP-AM	S-516

LD 2198 proposed to add representation from the Maine State Retirement System to the State Employee Health Commission.

Committee Amendment "A" (S-516) replaced the bill and added a labor and a management member representing the Maine State Retirement System to the State Employee Health Commission. The amendment also added a fiscal note to the bill.

Enacted law summary

Public Law 2001, chapter 636 adds a labor and a management member representing the Maine State Retirement System to the State Employee Health Commission.