

MAINE STATE LEGISLATURE

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*State Of Maine
121st Legislature*

First Regular Session

Bill Summaries

*Joint Standing Committee
on
Insurance and Financial Services*

July 2003

Members:

Sen. Lloyd P. LaFountain III, Chair

Sen. Neria R. Douglass

Sen. Arthur F. Mayo III

Rep. Christopher P. O'Neil, Chair

Rep. Marilyn E. Canavan

Rep. Joseph C. Perry

Rep. Bonita J. Breault

Rep. Anne C. Perry

Rep. Kevin J. Glynn

Rep. Florence T. Young

Rep. Lois A. Snowe-Mello

Rep. Michael A. Vaughan

Rep. Richard G. Woodbury

Staff:

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Maine State Legislature



Office Of Policy And Legal Analysis Office Of Fiscal And Program Review

121st Maine Legislature First Regular Session

Summary Of Legislation Before The Joint Standing Committees

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing and joint 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 arranged alphabetically by committee name 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:

<i>CARRIED OVER PURSUANT TO HP 1212</i>	<i>Bills carried over to the 2nd Regular Session</i>
<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i>	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed</i>
<i>ONTP</i>	<i>Ought Not To Pass report accepted</i>
<i>OTP-ND</i>	<i>Committee report Ought To Pass In New Draft</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PASSED</i>	<i>Joint Order passed in both bodies</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

Please note that the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 13, 2003.

David C. Elliott, Director
Offices located in Room 215 of the Cross Office Building

Joint Standing Committee on Insurance and Financial Services

LD 366

**An Act To Prevent Discrimination Against Group Health Plans
Sponsored by Agricultural Cooperatives**

ONTP

<u>Sponsor(s)</u> O'NEIL		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 366 proposed to require a carrier located in this State to make its provider network available to members receiving health coverage in this State under a group health plan sponsored by an agricultural cooperative if the carrier belongs to the same association as the out-of-state carrier underwriting the group health plan of the agricultural cooperative.

LD 409

**An Act To Allow a Court To Order the Cancellation of a Life
Insurance Policy as Part of a Protection from Abuse Proceeding**

PUBLIC 106

<u>Sponsor(s)</u> JACKSON EDMONDS		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> H-112
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LD 409 proposed to allow a formerly married person or former domestic partner to cancel a life insurance policy in that person's name that was purchased by the person's former spouse or domestic partner during the marriage or domestic relationship.

Committee Amendment "A" (H-112) replaced the bill. The amendment proposed to allow a District Court to order the termination of a life insurance policy or rider owned by the defendant on the life of a plaintiff in a protection from abuse proceeding. The amendment also requires that a copy of the court order be sent to the insurance company that issued the policy.

Enacted Law Summary

Public Law 2003, chapter 106 allows the District Court to order the termination of a life insurance policy or rider owned by a defendant on the life of a plaintiff in a protection from abuse proceeding. The law also requires that a copy of the court order be sent to the insurance company that issued the policy.

LD 423

**An Act To Improve the Process of Credentialing Health Care
Providers**

PUBLIC 108

<u>Sponsor(s)</u> MARRACHE GAGNON		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> H-116
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LD 423 proposed to set a time line for provider credentialing by health insurance carriers and requires carriers to make credentialing decisions within 60 days of receiving a completed application from a provider.

Joint Standing Committee on Insurance and Financial Services

Committee Amendment "A" (H-116) proposed to replace the bill. The amendment proposed to retain the general requirement that carriers make credentialing decisions within 60 days of receiving a completed application from a provider, but allows a carrier to extend the period for up to another 120 days upon written notice to the provider if information within the application needs verification. It requires carriers to review the application and return it once for all corrections and clarifies that the application is not complete until all corrections are made. The amendment also removes the provision making credentialing decisions retroactive to the date the carrier received the completed application. The amendment gives authority to the Department of Professional and Financial Regulation, Bureau of Insurance to amend its rules to conform to these requirements.

Enacted Law Summary

Public Law 2003, chapter 108 requires health insurance carriers to make credentialing decisions within 60 days of receiving a completed application from a provider, but allows a carrier to extend the period for up to another 120 days upon written notice to the provider if information within the application needs verification.

LD 428 **An Act To Eliminate the Department of Professional and Financial Regulation, Bureau of Insurance Travel Restrictions for Obtaining Health Care** **CARRIED OVER**

<u>Sponsor(s)</u> LAFOUNTAIN O'NEIL		<u>Committee Report</u>		<u>Amendments Adopted</u>
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LD 428 proposes to provide that a health maintenance organization may furnish health care services through providers that exceed the standard geographic accessibility limits imposed by the Department of Professional and Financial Regulation, Bureau of Insurance by rule for specialty care and hospital services with the exception of hospital services for emergencies and maternity care.

LD 428 has been carried over to the Second Regular Session, although a related provision was incorporated into Public Law 2003, chapter 469. See summary of LD 1611.

LD 434 **An Act To Amend the Patient's Bill of Rights Laws** **ONTP**

<u>Sponsor(s)</u> LAFOUNTAIN O'NEIL		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 434 proposed to require that health care providers publish detailed information about the prices charged for health care services.

A related provision was incorporated into Public Law 2003, chapter 469. See summary of LD 1611.