

MAINE STATE LEGISLATURE

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*State Of Maine
122nd Legislature*

*First Regular Session and
First Special Session*

Bill Summaries

*Joint Standing Committee
on
Insurance and Financial Services*

August 2005

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Maine State Legislature

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122nd Legislature
First Regular Session and First Special Session

Summary of Legislation Considered by the Joint Standing Committees
August 2005

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. A subject index for each committee is included immediately before the bill summaries for that committee, and a numerical index by LD number is included 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 June 29, 2005; and for non-emergency legislation enacted in the First Special Session is September 17, 2005.

Joint Standing Committee on Insurance and Financial Services

9. The law clarifies the authority of the superintendent to examine a holding company of a nondepository trust company or merchant bank, including its subsidiaries and affiliates.

LD 590 **An Act Regarding Medical Malpractice Insurance Rate Filings** **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MILLS J MARTIN	ONTP	

LD 590 proposed to require the Superintendent of Insurance to make medical malpractice filings open to the public and to hold a public hearing for any filing requesting a rate increase over 5%.

LD 596 **An Act To Make Insurance Coverage Available for Medically Necessary Breast Reduction and Symptomatic Varicose Vein Surgery** **PUBLIC 128**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PERRY A	OTP-AM	H-212

LD 596 proposed to require health insurance carriers doing business in Maine to provide coverage for medically necessary breast reduction and symptomatic varicose vein surgery in individual and group policies, contracts and certificates.

Committee Amendment "A" (H-212) replaced the bill and changed the title. It proposed to change the bill to a mandated offer of coverage and require health insurance carriers to make available coverage for medically necessary breast reduction surgery and symptomatic varicose vein surgery in individual and group policies, contracts and certificates.

Enacted law summary

Public Law 2005, chapter 128 requires health insurance carriers to make available coverage through a mandated offer for medically necessary breast reduction surgery and symptomatic varicose vein surgery in individual and group policies, contracts and certificates.

The law applies to all policies, contracts and certificates issued or renewed on or after January 1, 2006.

LD 600 **An Act To Save the Health Care System Money by Ensuring Timely Denials of Claims** **PUBLIC 58**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GLYNN	OTP-AM	H-102

Joint Standing Committee on Insurance and Financial Services

LD 600 proposed to require a health insurance carrier that is the primary payor of an undisputed insurance claim to make the payment within 90 days. If the payment is not made, the bill would permit a health care provider to assume the claim has been denied and submit that claim to a secondary payor such as the MaineCare or Medicare program. The bill proposed to require the MaineCare program to pay claims submitted by a provider that have not been paid by the primary carrier within 90 days if MaineCare qualifies as a secondary payor of the claim. The bill also would require that a health care provider reimburse the secondary payor for any payments if the primary carrier pays any claims after 90 days. The bill also proposed to direct carriers to report annually regarding claims not paid within 90 days and the reasons for the delays.

Committee Amendment "A" (H-102) replaced the bill. The amendment proposed to clarify that in cases where coverage may be available from more than one carrier, a claimant may file a claim with each carrier at the same time. It also clarified that each carrier must make an independent determination as to payment or denial of the claim without delaying that determination until the other carrier has acted. The amendment also proposed to require that any payments made by a carrier must be made in accordance with current rules relating to coordination of benefits.

Enacted law summary

Public Law 2005, chapter 58 clarifies that, in cases where coverage may be available from more than one health insurance carrier, a claimant may file a claim with each carrier at the same time. It also clarifies that each carrier must make an independent determination as to payment or denial of the claim without delaying that determination until the other carrier has acted. The law also requires that any payments made by a carrier must be made in accordance with current rules relating to coordination of benefits.

LD 743 **An Act To Streamline the Appeals Process for the Determination of Certain Health Insurance Benefits** **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MAYO PERRY A	ONTP	

LD 743 proposed to eliminate the requirement that health insurance carriers offer members in the nongroup market nonbinding arbitration for the determination of certain benefits.

LD 767 **An Act To Improve the Affordability of Health Insurance** **PUBLIC 125**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GLYNN	OTP-AM	H-211

LD 767 proposed to prohibit the adoption of new health insurance mandates unless the rate of increase in the Consumer Price Index for medical care services remains at zero or less than zero for 2 consecutive years.

Committee Amendment "A" (H-211) replaced the bill. The amendment proposed to require that the Department of Professional and Financial Regulation, Bureau of Insurance include a comparison of the rate of increase in the Consumer Price Index for medical services to the rate of increase in the Consumer Price Index for the previous year and current year in any review and evaluation prepared on a mandated health benefit proposal.