

MAINE STATE LEGISLATURE

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*State Of Maine
122nd Legislature*

Second Regular Session

Bill Summaries

*Joint Standing Committee
on
Insurance and Financial Services*

July 2006

Members:

Sen. Nancy B. Sullivan, Chair

Sen. Arthur F. Mayo III

Sen. Peter Mills

Rep. Anne C. Perry, Chair

Rep. Lisa T. Marrache

Rep. John R. Brautigam

Rep. Charles William Harlow

Rep. Donald E. Pilon

Rep. Kevin J. Glynn

Rep. Michael A. Vaughan

Rep. R. Kenneth Lindell

Rep. Jonathan B. McKane

Rep. Wesley E. Richardson

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Maine State Legislature



Office of Policy and Legal Analysis Office of Fiscal and Program Review

122nd Maine Legislature Second 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 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/billsumm.htm).

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
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 (Pocket Veto).....	Bill held by Governor
VETO SUSTAINED.....	Legislature failed to override Governor's Veto

Please note that the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is August 23, 2006.

Joint Standing Committee on Insurance and Financial Services

LD 447 **An Act To Require Health Insurers To Cover the Costs of Hearing Aids** **DIED ON ADJOURNMENT**

<u>Sponsor(s)</u> EDMONDS		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> S-149
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LD 447 was carried over from the First Special Session on the Special Appropriations Table by S.P. 640. The bill proposed to require health insurance policies, contracts and certificates to provide coverage for hearing aids for persons 21 years of age and under. The provisions would apply to all policies, contracts and certificates issued or renewed on or after January 1, 2006.

Committee Amendment “A” (S-149) proposed to require health insurance policies, contracts and certificates to provide coverage for hearing aids for persons 18 years of age and under. The bill required coverage for persons 21 years of age and under. The amendment would allow insurance policies to limit coverage to \$1,400 per hearing aid every 36 months. The provisions would apply to all policies, contracts and certificates issued or renewed on or after January 1, 2006.

During the First Special Session, Committee Amendment “A” was adopted in the House, but placed on the Special Appropriations Table in the Senate and carried over to the Second Regular Session.

LD 447 was not removed from the Special Appropriations Table in the Senate before adjournment sine die.

LD 1680 **An Act to Improve Dirigo Health** **DIED ON ADJOURNMENT**

<u>Sponsor(s)</u> SULLIVAN GLYNN		<u>Committee Report</u> ONTP MAJ OTP-AM MIN		<u>Amendments Adopted</u>
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LD 1680 is a concept draft pursuant to Joint Rule 208. The bill proposed to:

1. Require the Dirigo Health Agency to develop a method for including a health savings account option as part of DirigoChoice and to report its recommendation for such inclusion to the Joint Standing Committee on Insurance and Financial Services;
2. Require the Governor's Office of Health Policy and Finance to develop options for financing the cost of conforming state tax law to federal tax law regarding health savings accounts and to report its recommendations to the Joint Standing Committee on Insurance and Financial Services;
3. Require the Department of Professional and Financial Regulation, Bureau of Insurance to develop a method for insurance carriers to report new business, categorized by insurance status. The report would include categories for insured, underinsured and uninsured people. The bureau would report its recommendations to the Joint Standing Committee on Insurance and Financial Services;

Joint Standing Committee on Insurance and Financial Services

4. Expand the membership of the Advisory Council on Health Systems Development to include a practicing nurse, a small business and a large business that purchases employee health coverage; and
5. Clarify that the Dirigo Health Agency is authorized to make and administer grants.

Committee Amendment “A” (S-491) is the minority report of the committee and replaced the bill, which was a concept draft pursuant to Joint Rule 208. The amendment proposed to repeal the savings offset payment used to support subsidies for the Dirigo Health Program. The amendment would require that the subsidy program for enrollees in the Dirigo Health Program and the Maine Quality Forum, which were funded with the savings offset payment, continue with funding from existing resources of the Dirigo Health Program. The amendment also would prohibit any funds collected by Dirigo Health from being used as the state share for individuals directly enrolled in MaineCare.

The amendment proposed to add a General Fund appropriation of \$8,313,000 for the costs of the state share for MaineCare services for parents as a result of the provision prohibiting these costs from being funded through transfers from Dirigo Health. Committee Amendment “A” was not adopted.

LD 1680 was still in the possession of the Senate upon adjournment sine die.

LD 1723 **An Act To Address Benefits for Employees and Officers of Credit Unions** **PUBLIC 468**

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

LD 1723 proposed to establish statutory authority for a state-chartered credit union to provide employee benefits, including retirement benefits, to its employees and officers and to fund those employee benefit plan obligations with investments that would otherwise be impermissible under state law. The bill also proposed to authorize the Superintendent of Financial Institutions to adopt rules to implement this provision to address any safety and soundness issues associated with those employee benefit plans.

Enacted law summary

Public Law 2005, chapter 468 authorizes a state-chartered credit union to provide employee benefits, including retirement benefits, to its employees and officers and fund those employee benefit plan obligations with investments that would otherwise be impermissible under state law. The law also authorizes the Superintendent of Financial Institutions to adopt rules to implement the law and to address any safety and soundness issues.