

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
123<sup>RD</sup> LEGISLATURE  
FIRST REGULAR SESSION



Summaries of bills and adopted amendments and laws enacted or finally passed during the First Regular Session of the 123<sup>rd</sup> Maine Legislature coming from the

**JOINT STANDING COMMITTEE ON INSURANCE AND  
FINANCIAL SERVICES**

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# STATE OF MAINE

123<sup>RD</sup> LEGISLATURE

FIRST REGULAR SESSION

## LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS



This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 123<sup>rd</sup> Maine Legislature, which was in session from December 6, 2006 to June 21, 2007.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter 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 (or Accepted ONTP report).....           | 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.....                                 | Bill held by Governor                                                   |
| VETO SUSTAINED.....                           | Legislature failed to override Governor's Veto                          |

Please note that the effective date for non-emergency legislation enacted in the First Regular Session is **September 20, 2007**. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

# Joint Standing Committee on Insurance and Financial Services

standards of Title 24-A, chapter 81.

## Committee Amendment "A" (S-130)

This amendment replaces the bill. The amendment allows a multiple employer welfare arrangement to offer a managed care plan that does not adhere to any geographic access requirements on a pilot basis with approval of the Superintendent of Insurance between January 1, 2008 and January 1, 2011. The amendment prohibits an arrangement from including terms and conditions in the managed care plan that have a detrimental financial impact on a covered person or that require a covered person to travel outside of the United States for health care services. The amendment requires the Superintendent of Insurance to report to the Legislature on the status of any approved pilot program on an annual basis.

### Enacted Law Summary

Public Law 2007, chapter 278 allows a multiple employer welfare arrangement to offer a managed care plan that does not adhere to any geographic access requirements on a pilot basis with approval of the Superintendent of Insurance between January 1, 2008 and January 1, 2011. The law prohibits a multiple employer welfare arrangement from including terms and conditions in the managed care plan that have a detrimental financial impact on a covered person or that require a covered person to travel outside of the United States for health care services. The law requires the Superintendent of Insurance to report to the Legislature on the status of any approved pilot program on an annual basis.

## **LD 1218** An Act To Further Limit Retrospective Denials of Previously Paid Health Insurance Claims

**PUBLIC 106**

| <u>Sponsor(s)</u>  | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|--------------------|-------------------------|---------------------------|
| MARRACHE<br>TURNER | OTP MAJ<br>ONTP MIN     |                           |

LD 1218 shortens the time frame from 18 months to 12 months in which a health insurance carrier may deny retrospectively a health insurance claim submitted by a health care provider and processed and paid in accordance with the standards in effect at the time of submission.

### Enacted Law Summary

Public Law 2007, chapter 106 shortens the time frame from 18 months to 12 months in which a health insurance carrier may deny retrospectively a health insurance claim submitted by a health care provider and processed and paid in accordance with the standards in effect at the time of submission.

## **LD 1230** An Act To Protect Consumers against Inadequate Health Care Coverage

**ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| CONOVER           | ONTP                    |                           |

LD 1230 prohibits health insurance carriers from offering health plans with deductibles of \$1,500 or higher. The bill applies to all health plans issued or renewed on or after October 1, 2007. The bill also removes the authority of the Department of Professional and financial Regulation, Bureau of Insurance to adopt rules that give carriers flexibility with regard to deductible and requires the Bureau of Insurance to repeal Part II of Rule Chapter 750: Standardized Health Plans.