

MAINE STATE LEGISLATURE

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STATE OF MAINE
123RD LEGISLATURE
FIRST REGULAR SESSION



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

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

July 2007

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STATE OF MAINE

123RD 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 123rd 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

The law clarifies the statutory provision requiring notice of group health termination.

The law clarifies the statutory provision regarding permissible limitations on coverage of preexisting conditions in specified disease policies.

Public Law 2007, chapter 199 was enacted as an emergency measure effective May 31, 2007.

LD 1514 An Act To Require Health Insurance Coverage for Hearing Aids

PUBLIC 452

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SULLIVAN	OTP-AM MAJ ONTP MIN	S-265 S-371 ROTUNDO

LD 1514 requires health insurance policies, contracts and certificates to provide coverage for hearing aids for persons under 21 years of age whose hearing loss has been documented by a physician or licensed audiologist. The provisions of this bill apply to all policies, contracts and certificates issued or renewed on or after January 1, 2008.

Committee Amendment "A" (S-265)

This amendment replaces the bill. The amendment requires health insurance policies, contracts and certificates to provide coverage for hearing aids for persons 18 years of age and under. The amendment allows insurance policies to limit coverage to \$1,400 per hearing aid every 36 months. The bill would have required coverage for hearing aids for persons under 21 years of age without limits on the amount of coverage.

The amendment also adds an appropriations and allocations section to the bill.

Senate Amendment "A" (S-371)

This amendment makes changes to Committee Amendment "A" to require health insurance policies, contracts and certificates issued or renewed on or after January 1, 2008 to provide coverage for hearing aids for persons from birth to 5 years of age, beginning January 1, 2008; for persons from 6 to 13 years of age, beginning January 1, 2009; and for persons from 14 to 18 years of age, beginning January 1, 2010.

The amendment also replaces the appropriations and allocations section to reflect the changes in required funding as a result of the amendment.

Enacted Law Summary

Public Law 2007, chapter 452 requires health insurance policies, contracts and certificates to provide coverage for hearing aids for persons from birth to 5 years of age, beginning January 1, 2008; for persons from 6 to 13 years of age, beginning January 1, 2009; and for persons from 14 to 18 years of age, beginning January 1, 2010. The law allows health insurance policies to limit coverage to \$1,400 per hearing aid every 36 months.

LD 1517 An Act To Allow Maine Consumers To Purchase Health Insurance from Out-of-State Insurers

**ACCEPTED ONTP
REPORT**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SMITH D	ONTP MAJ OTP-AM MIN	

Joint Standing Committee on Insurance and Financial Services

Part A of LD 1517 permits out-of-state health insurers, which are referred to as regional insurers in the bill, to offer their individual or group health plans for sale in this State if certain requirements of Maine law are met, including minimum capital and surplus and reserve, disclosure and reporting and grievance procedures. The bill defines the out-of-state health insurers as those insurers authorized to transact individual or group health insurance in one of the following states or jurisdictions: Connecticut, Massachusetts, New Hampshire, Rhode Island, Vermont, Delaware, Maryland, New Jersey, New York, Pennsylvania or the District of Columbia. It also permits Maine health insurers to offer individual health plans of out-of-state parent or subsidiary health insurers if similar requirements are met. If out-of-state health plans are offered for sale in this State, the bill requires that prospective enrollees be provided adequate disclosure of how the plans differ from Maine health plans in a format approved by the Superintendent of Insurance.

Part B of the bill repeals the statutory provisions governing the Capital Investment Fund and certificate of need. The bill takes effect January 1, 2008.

Committee Amendment "A" (S-261)

This amendment is the minority report of the committee. The amendment clarifies that the bill's provisions apply to the sale of individual and small group health plans. The amendment clarifies that the regional insurer must be domiciled and licensed to transact health insurance in the states listed in the bill. The amendment also clarifies the provision relating to the participation of a regional insurer in the guaranty association.

The amendment removes Part B of the bill, which proposed to repeal the statutory provisions governing the Capital Investment Fund and Certificate of Need.

Committee Amendment "A" was not adopted.

LD 1521 Resolve, To Provide Education Concerning and Insurance Coverage for Lyme Disease

RESOLVE 143

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BRYANT B	OTP-AM	S-349 MARTIN S-78

LD 1521 requires insurance policies to provide coverage for the treatment of Lyme disease. It also requires any employer whose employees are involved in activities that place them at high risk of exposure to Lyme disease to provide those employees with accurate information about Lyme disease before allowing them to engage in such activities. It directs the Maine Center for Disease Control Prevention to study the incidence of Lyme disease in this State, how many cases of Lyme disease are contracted by employees during the course of their employment, and the effects of the disease on the State.

Committee Amendment "A" (S-78)

This amendment replaces the bill, and changes it to a resolve. The amendment directs the Maine Center for Disease Control and Prevention to undertake public education efforts relating to the prevention, diagnosis and treatment of Lyme disease and other tick-borne illnesses. The amendment also requires the Joint Standing Committee on Insurance and Financial Services to review issues related to Lyme disease and other tick-borne illnesses and authorizes the committee to submit legislation to the Second Regular Session of the 123rd Legislature.

Senate Amendment "A" (S-349)

This amendment removes the requirement in Committee Amendment "A" that the Joint Standing Committee on Insurance and Financial Services review issues regarding Lyme disease.

Enacted Law Summary