

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
124<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed during the First Regular Session of the 124<sup>th</sup> Maine Legislature coming from the

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

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# STATE OF MAINE

124<sup>TH</sup> LEGISLATURE  
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## 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 124<sup>th</sup> Maine Legislature.

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:

CARRIED OVER.....	Carried over to a subsequent session of the Legislature
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; bill died
ONTP (or Accepted ONTP report).....	Ought Not To Pass report accepted; bill died
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

The effective date for non-emergency legislation enacted in the First Regular Session of the 124<sup>th</sup> Legislature is September 12, 2009. 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

legislation based on the updated study.

### Committee Amendment "A" (H-353)

This amendment adds a requirement that the updated study include a preliminary analysis of the impact of any federal health care reform legislation on state legislation to establish a single-payor health care system or other mechanism for universal health care. The amendment also changes the dates contained in the resolve for securing commitments for outside funding from August 1, 2009 to October 1, 2009 and for submitting the report from December 2, 2009 to January 15, 2010. The amendment also adds an appropriations and allocations section.

### Senate Amendment "A" To Committee Amendment "A" (S-330)

This amendment strikes the General Fund appropriation from Committee Amendment "A".

### Enacted Law Summary

Resolve 2009, chapter 135 requires the Legislative Council to contract for an update to a 2002 study of the feasibility of establishing a single-payor health plan in the State. The updated study must include a preliminary analysis of the impact of any federal health care reform legislation on state legislation to establish a single-payor health care system or other mechanism for universal health care. The update is contingent on the successful securing of outside funding by October 1, 2009. The updated study must be submitted by January 15, 2010 to the Second Regular Session of the 124th Legislature during which the Joint Standing Committee on Insurance and Financial Services may submit legislation based on the updated study.

### LD 1003      **Resolve, Directing the Office of Program Evaluation and Government Accountability To Perform a Performance Evaluation and Cost-benefit Analysis of the Dirigo Health Program**

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LEWIN NASS R	ONTP	

This resolve directs the Office of Program Evaluation and Government Accountability to conduct a performance evaluation and cost-benefit analysis of the Dirigo Health Program from its inception to the present, including studying all legislation, policies, rulemaking, expenses, estimates of the cost of covering the uninsured and of privatizing the program, costs of insurance providers from out of the State, interactions of policyholders with providers and copayments. This resolve requires a report to be submitted to the Joint Standing Committee on Health and Human Services by December 2, 2009.

### LD 1004      **An Act Relating to Self-insurance**

PUBLIC 232

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RICHARDSON W BOWMAN	OTP-AM	H-287

This bill amends the laws relating to workers' compensation group self-insurance reinsurance accounts to clarify that individual self-insurers authorized under Maine law and group self-insurers authorized under the laws of other states may participate in the account.

# Joint Standing Committee on Insurance and Financial Services

## Committee Amendment "A" (H-287)

This amendment makes changes to the laws relating to workers' compensation group self-insurance reinsurance accounts to:

1. Authorize individual self-insurers authorized under Maine law to participate in an account; and
2. Authorize the formation of a protected cell mechanism under which group self-insurers authorized under the laws of other states may participate in an account, similar to the structure currently provided for in the National Association of Insurance Commissioners Protected Cell Company Model Act and in the Maine Revised Statutes, Title 24-A, section 784-A.

The amendment also adds an appropriations and allocations section.

### Enacted Law Summary

Public Law 2009, chapter 232 makes changes to the laws relating to workers' compensation group self-insurance reinsurance accounts. The law authorizes individual self-insurers authorized under Maine law to participate in a group self-insurance reinsurance account. The law also authorizes the formation of a protected cell mechanism under which workers' compensation group self-insurers authorized under the laws of other states may participate in a reinsurance account, similar to the structure currently provided for in the National Association of Insurance Commissioners Protected Cell Company Model Act and in the Maine Revised Statutes, Title 24-A, section 784-A.

## LD 1005    **An Act To Continue Access to Dirigo Choice Health Insurance by Reducing Administrative Costs and Replacing the Savings Offset Payment**

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TREAT BOWMAN	ONTP	

This bill repeals the savings offset payment used to fund subsidies for the Dirigo Health Program and eliminates the administrative costs associated with the annual adjudicatory hearings. In place of the savings offset payment, the bill establishes a health access surcharge of 2.14% on all paid claims to be paid monthly as a source of funding for Dirigo Health Program subsidies. The bill changes the payment date for savings offset payments that have been previously assessed but not yet paid before the effective date of the bill. The bill also prohibits insurance carriers from including the costs of the health access surcharge used to support the Dirigo Health Program in health insurance premium rates.

While LD 1005 was voted "Ought Not to Pass", a related substantive provision replacing the savings offset payment with a health access surcharge of 2.14% on all paid claims was incorporated into LD 1264, An Act to Stabilize Funding and Enable DirigoChoice To Reach More Uninsured. See LD 1264, which was enacted as Public Law 2009, chapter 359.