

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

STATE OF MAINE
125TH LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

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

July 2011

MEMBERS:

SEN. RODNEY L. WHITTEMORE, CHAIR
SEN. LOIS A. SNOWE-MELLO
SEN. JOSEPH C. BRANNIGAN

REP. WESLEY E. RICHARDSON, CHAIR
REP. JONATHAN B. MCKANE
REP. JOYCE A. FITZPATRICK
REP. SUSAN E. MORISSETTE
REP. JOHN J. PICCHIOTTI
REP. SHARON ANGLIN TREAT
REP. ADAM GOODE
REP. HENRY E. M. BECK
REP. TERRY K. MORRISON
REP. PAULETTE G. BEAUDOIN

STAFF:

COLLEEN MCCARTHY REID, LEGISLATIVE ANALYST
OFFICE OF POLICY AND LEGAL ANALYSIS
13 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1670

STATE OF MAINE
125TH LEGISLATURE
FIRST REGULAR SESSION



LEGISLATIVE DIGEST OF BILL SUMMARIES AND
ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 125th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD 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 LD is noted to the right of the LD title. The following describes the various final actions.

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; legislation died
DIED BETWEEN HOUSES..... House & Senate disagreed; legislation died
DIED IN CONCURRENCE..... defeated in each house, but on different motions; legislation died
DIED ON ADJOURNMENT..... action incomplete when session ended; legislation died
EMERGENCY..... enacted law takes effect sooner than 90 days after session adjournment
FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE emergency failed to receive required 2/3 vote
FAILED, ENACTMENT or FINAL PASSAGE..... failed to receive final majority vote
FAILED, MANDATE ENACTMENT legislation proposing local mandate failed required 2/3 vote
HELD BY GOVERNOR..... Governor has not signed; final disposition to be determined at subsequent session
LEAVE TO WITHDRAW..... sponsor's request to withdraw legislation granted
NOT PROPERLY BEFORE THE BODY ruled out of order by the presiding officer; legislation died
INDEF PP..... indefinitely postponed; legislation died
ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X... ought-not-to-pass report accepted; legislation died
P&S XXX..... chapter # of enacted private & special law
PUBLIC XXX..... chapter # of enacted public Law
RESOLVE XXX..... chapter # of finally passed resolve
VETO SUSTAINED..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 125th Legislature is September 28, 2011. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

Joint Standing Committee on Insurance and Financial Services

disclosure requirements when insurers process a claim or write motor vehicle insurance.

**LD 57 Resolve, To Update the Study Regarding the Feasibility of Establishing
a Single-payor Health Care System**

**MAJORITY
(ONTP) REPORT**

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

This resolve requires the Legislature to hire a consultant to update "Feasibility Study of a Single-payor Health Plan Model for the State of Maine," originally completed in 2002.

Committee Amendment "A" (H-47)

This amendment is the minority report of the committee and replaces the resolve. The amendment requires the Legislature to hire a consultant to update the "Feasibility Study of a Single-payor Health Plan Model for the State of Maine," originally completed in 2002. The amendment also requires that the updated study include an analysis of the impact of the federal Patient Protection and Affordable Care Act on state legislation to establish a single-payor health care system and of the costs and impact of using a single-payor health plan design similar to the design proposed for the State of Vermont. The amendment also provides funding for the updated study through a federal grant awarded to the State rather than the General Fund.

Committee Amendment "A" was not adopted.

LD 60 An Act To Extend Coverage under the State's Mini-COBRA Law

**MAJORITY
(ONTP) REPORT**

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

Under existing federal and state law, employees who are laid off are eligible to continue health coverage under their employers' group health insurance plans at their own expense. The federal Consolidated Omnibus Budget Reconciliation Act of 1985, known as COBRA, contains provisions that apply to employers with 20 or more employees and generally allows coverage to continue for up to 18 months. Current state law, which applies to employers with fewer than 20 employees, allows the employee to continue coverage for up to 12 months. This bill extends the availability of coverage up to 36 months for those eligible under state law and, to the extent possible, for those eligible under federal law. The bill also provides a special enrollment period for those employees who have exhausted coverage under existing law but who would otherwise be eligible to continue coverage for an additional period.

Committee Amendment "A" (H-48)

This amendment is the minority report of the committee and replaces the bill. Current state law, which applies to employers with fewer than 20 employees, allows the employee to continue coverage at their own expense for up to 12 months. This amendment extends the availability of coverage from 12 months to 18 months for those employees eligible under state law. The amendment also removes the requirement that those employees who are permanently

Joint Standing Committee on Insurance and Financial Services

laid off must be eligible for federal premium assistance in order to continue coverage. The requirements of the amendment that extend availability of coverage apply to any member or employee who, on or after the effective date of the law, loses employment or has group coverage pursuant to an election of continuation of coverage pursuant to the provisions of the Maine Revised Statutes, Title 24-A, section 2809-A, subsection 11.

Committee Amendment "A" was not adopted.

LD 125 An Act To Raise the Required Minimum Limits for Motor Vehicle Insurance ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
COTTA GERZOFSKY	ONTP	

This bill raises the required minimum limits for motor vehicle insurance.

LD 226 An Act To Allow Maine Citizens To Buy Health Insurance across State Lines ONTP

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

This bill permits insurers authorized to transact individual or group health insurance in any state to offer their individual and group health plans for sale in this State if certain requirements of Maine law are met, including minimum capital and surplus and reserve requirements, disclosure and reporting requirements and grievance procedures. 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 in a format approved by the Superintendent of Insurance of how the plans differ from Maine health plans. This bill also requires a person to sign a waiver if the insurance policy does not have the same coverage as Maine. The bill includes an effective date of January 1, 2012.

While LD 226 was voted "Ought Not to Pass", a related substantive provision permitting insurers authorized to transact individual health insurance in Connecticut, Massachusetts, New Hampshire or Rhode Island to offer health plans in Maine under certain conditions was included in LD 1333, An Act to Modify Rating Practices for Individual and Small Group Health Plans and to Encourage Value-based Purchasing of Health Care Services. See LD 1333, which was enacted as Public Law 2011, chapter 90.

LD 279 An Act To Amend Indemnification Notification Laws PUBLIC 38

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SNOWE-MELLO	OTP	