

MAINE STATE LEGISLATURE

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STATE OF MAINE
125TH LEGISLATURE
SECOND REGULAR SESSION



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

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

June 2012

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STATE OF MAINE

125TH LEGISLATURE
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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 Second 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.

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

The effective date for non-emergency legislation enacted in the Second Regular Session of the 125th Legislature is Thursday, August 30, 2012. 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

LD 1497

An Act Relating to Navigators under Health Benefit Exchanges

PUBLIC 631

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCKANE WHITTEMORE	OTP-AM MAJ ONTP MIN	H-840 H-925 MCKANE

This bill was carried over from the First Regular Session of the 125th Legislature.

The bill establishes the Maine Health Benefit Exchange pursuant to the federal Patient Protection and Affordable Care Act. The exchange is established as authorized by federal law to facilitate the purchase of health care coverage by individuals and small businesses. The bill requires coverage to be available through the exchange no later than January 1, 2014. The bill authorizes the use of an assessment or user fee on health insurance carriers to support the operations of the exchange.

Committee Amendment "A" (H-840)

This amendment replaces the bill and changes the title. The amendment requires that only licensed insurance producers may sell, solicit or negotiate health insurance or enroll an individual or employer in a qualified health plan offered through an exchange established or operated in this State pursuant to state or federal law.

The amendment also requires the Superintendent of Insurance to develop criteria for the selection and certification of navigators prior to the establishment of any exchange in this State pursuant to state or federal law and prohibits individuals from acting as navigators without certification from the superintendent unless the individuals are licensed insurance producers.

House Amendment "A" To Committee Amendment "A" (H-870)

This amendment clarifies that any requirements for navigators to submit to fingerprinting or criminal history record checks or regulatory background checks must be adopted through rulemaking.

House Amendment "A" to Committee Amendment "A" was not adopted.

House Amendment "B" To Committee Amendment "A" (H-925)

This amendment incorporates the substantive provisions of House Amendment "A" except that the amendment removes references to fingerprinting. The amendment also clarifies the definition of "navigator" to include individuals performing the duties of a navigator on behalf of an organization or business entity. The amendment makes other technical and clarifying changes to Committee Amendment "A" to be consistent with existing state law and rule and federal law and regulations.

Enacted Law Summary

Public Law 2011, chapter 631 requires that only licensed insurance producers may sell, solicit or negotiate health insurance or enroll an individual or employer in a qualified health plan offered through an exchange established or operated in this State pursuant to state or federal law.

The law also requires the Superintendent of Insurance to develop criteria for the selection and certification of navigators prior to the establishment of any exchange in this State pursuant to state or federal law and prohibits individuals from acting as navigators without certification from the superintendent unless the individuals are

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licensed insurance producers.

LD 1498 An Act To Phase Out Dirigo Health and Establish the Maine Health Benefit Exchange for Small Businesses and Individuals

MAJORITY (ONTP) REPORT

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

This bill was carried over from the First Regular Session of the 125th Legislature.

The bill repeals Dirigo Health effective January 1, 2014 and, in its place, establishes the Maine Health Benefit Exchange. The exchange is established as authorized by federal law to facilitate the purchase of health care coverage by individuals and small businesses. The bill requires coverage to be available through the exchange no later than January 1, 2014. Coverage of individuals and small businesses under the current Dirigo Health program will end on January 1, 2014 as coverage will transition to the exchange. The bill retains the Maine Quality Forum established within the Dirigo Health program and transfers its oversight to the exchange. The bill requires health insurance carriers and third-party administrators to pay an access payment on paid claims to support the operations of the exchange.

The bill makes changes to the Maine Insurance Code to preserve the authority of the Superintendent of Insurance to enforce the federal Patient Protection and Affordable Care Act. The bill also clarifies that the Superintendent of Insurance has oversight over health insurance plans offered through the Maine Health Benefit Exchange.

The bill also requires the Department of Professional and Financial Regulation, Bureau of Insurance to evaluate the minimum essential benefits package to be determined by the Secretary of the United States Department of Health and Human Services in comparison to existing mandated health insurance benefits required by state law. The bill directs the Bureau of Insurance to determine the projected cost impact of maintaining mandated benefits not included in the essential benefits package in qualified health plans made available through the exchange. The bureau must submit its report within three months of the adoption of the minimum essential benefits package.

Committee Amendment "A" (H-867)

This amendment reflects the recommendations of the minority of the committee. The amendment makes the following changes to the bill.

1. It designates the position of Executive Director of the Maine Health Benefit Marketplace as a major policy-influencing position under state law and establishes the salary range for the position.
2. It makes changes to strengthen the conflict of interest provisions related to members and staff of the Board of Directors of the Maine Health Benefit Marketplace.
3. It authorizes the marketplace to offer qualified stand-alone dental benefit plans and other dental benefit plans.
4. It authorizes the board to standardize health plan coverage to be offered through the marketplace and also requires carriers to offer certain levels of coverage both through the marketplace and outside of the marketplace.
5. It requires the board to consult with the Department of Health and Human Services and the MaineCare Advisory Committee when considering whether to establish a basic health program and requires the board to submit its recommendation to the Legislature by April 1, 2013.