

MAINE STATE LEGISLATURE

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STATE OF MAINE
126TH LEGISLATURE
FIRST REGULAR SESSION



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

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

July 2013

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LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 126th 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 126th Legislature is October 9, 2013. 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

This bill repeals that prohibition.

Committee Amendment "A" (H-12)

This amendment replaces the bill and is the minority report of the committee. Current law prohibits a public insurance adjuster from soliciting or offering an adjustment services contract to any person for at least 36 hours after an accident or occurrence as a result of which the person might have a potential claim. This amendment removes that prohibition and instead provides that public insurance adjusters may not solicit or offer a contract during an accident or occurrence. The amendment also extends the time in which a person may rescind an adjustment services contract from 2 to 4 business days after the contract is signed.

Committee Amendment "A" was not adopted.

LD 205 An Act To Exempt Free Clinics from Licensing under the Charitable Solicitations Act

PUBLIC 60

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ROCHELO DUTREMBLE	OTP-AM	H-26

This bill exempts incorporated nonprofit health facilities that provide health care to persons at no charge from licensing requirements under the Charitable Solicitations Act.

Committee Amendment "A" (H-26)

This amendment defines free clinics and exempts free clinics from the licensing requirements under the Charitable Solicitations Act. Like other exempt charitable organizations, free clinics will be required to annually apply for the exemption pursuant to the process in current law.

Enacted Law Summary

Public Law 2013, chapter 60 defines free clinics and exempts free clinics from the licensing requirements under the Charitable Solicitations Act. Like other exempt charitable organizations, free clinics will be required to annually apply for the exemption pursuant to the process in current law.

LD 225 An Act To Restore Consumer Rate Review for Health Insurance Plans in the Individual Market

**VETO
SUSTAINED**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LIBBY N CRAVEN	OTP-AM ONTP	H-314

This bill restores the statutory process for advance review and prior approval of individual health insurance rates and rescinds the changes to the rate review process for individual health insurance made by Public Law 2011, chapter 90. The bill also extends the requirement for advance review and prior approval to small group health insurance rates. The bill requires the Superintendent of Insurance to hold a hearing if a filing proposes an increase in rates in individual or small group health insurance plans and requires the superintendent to hold meetings in at least 3 locations to allow public comment as part of any hearing.

Committee Amendment "A" (H-314)

This amendment is the majority report of the committee and replaces the bill. The amendment does the following.

Joint Standing Committee on Insurance and Financial Services

1. The amendment restores the statutory process for advance review and prior approval of individual health insurance rates and rescinds the changes to the rate review process for individual health insurance made by Public Law 2011, chapter 90.
2. The amendment requires the Superintendent of Insurance to hold a hearing if a filing proposes an increase in rates in individual health insurance plans.
3. The amendment removes the provisions in the bill that relate to small group health insurance and the provision that requires the superintendent to hold meetings in at least 3 locations to allow public comment as part of any hearing.
4. The amendment makes references to the minimum medical loss ratio for individual health plans consistent with federal law.
5. The amendment removes cross-references to reflect the changes to the rate review process.
6. The amendment also clarifies that the changes apply to individual health plan rate filings submitted to the Department of Professional and Financial Regulation, Bureau of Insurance beginning with the 2015 plan year.
7. The amendment adds an appropriations and allocations section.

LD 347 An Act To Amend Insurance Coverage for Diagnosis of Autism CARRIED OVER
Spectrum Disorders

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LACHOWICZ FARNSWORTH		

This bill expands health insurance coverage for autism spectrum disorders to persons 21 years of age and under. Current law requires coverage for only those 5 years of age and under. The bill applies to individual, group health and group health maintenance organization insurance policies, contracts and certificates issued or renewed on or after January 1, 2014.

This bill was carried over to any special or regular session of the 126th Legislature by joint order, H.P. 1145, as amended by H-B (H-580) and H-C (H-582).

LD 393 An Act To Cap Interest Rates and Finance Charges on Credit and ONTP
Loans

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

This bill limits the maximum interest rates and finance charges charged on consumer credit and consumer loans to 18%.