

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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STATE OF MAINE

126TH LEGISLATURE
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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

establish a process for taking public comments at selected board meetings.

2. It adds one consumer member to the board and clarifies that that member may not be associated with or formerly associated with the medical profession, a hospital, an insurer or an insurance producer.

3. It suspends the authority of the association to collect assessments or provide reinsurance and reimbursement during the period in which the federal transitional reinsurance program is operating in this State and also requires that the association submit an amended plan of operation to the Superintendent of Insurance to address the operations of the association, the treatment of funds held by the association during the suspension period, the reactivation of the association and any necessary plan for distribution of any surplus funds not required for such purposes. It also requires the Superintendent of Insurance to allow a period of public comment on the amended plan of operation before it is approved by the superintendent.

4. It directs the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters to evaluate the transitional reinsurance program operating in the State from January 1, 2014 until December 31, 2016 under federal law. Before January 1, 2016, the committee is required to make a recommendation to the Legislature as to whether the Maine Guaranteed Access Reinsurance Association should resume operations and whether statutory changes should be made. The committee may submit a bill based on its recommendations to the Second Regular Session of the 127th Legislature.

LD 1176 An Act To Require Health Insurers To Use One Geographic Area as Permitted by the Federal Patient Protection and Affordable Care Act ONTP

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

As permitted by the federal Patient Protection and Affordable Care Act, this bill requires health insurance carriers to use only one rating area based on geography within the State when establishing rates for individual and small group health plans issued or renewed on or after January 1, 2014.

While LD 1176 was voted "Ought Not to Pass", a related substantive provision requiring health insurance carriers to use only one rating area based on geography as proposed in the bill was included in Committee Amendment "A" to LD 161, An Act to Restrict a Health Insurance Carrier to Rating on the Basis of One Geographic Area. See LD 161.

LD 1192 An Act Prohibiting Property Insurance Discrimination Based on Breed of Dog ACCEPTED MAJORITY (ONTP) REPORT

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CHENETTE	ONTP OTP-AM	

This bill prohibits the refusal to issue or the cancellation or nonrenewal of a property insurance policy or an increase in the premium for the policy solely on the basis of a policyholder's ownership of a certain breed of dog. The restrictions do not apply if a dog has been designated as a dangerous dog in accordance with state law.

Committee Amendment "A" (H-243)

This amendment is the minority report and clarifies a cross-reference in the bill.

Joint Standing Committee on Insurance and Financial Services

Committee Amendment "A" was not adopted.

LD 1236 An Act To Amend the Maine Insurance Code To Ensure Fair and Reasonable Coverage and Reimbursement of Chiropractic Services

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ALFOND CAMPBELL R		

This bill requires that coverage and payment by health insurers and health maintenance organizations for services within the scope of practice of chiropractic doctors be at least equal to and consistent with coverage for services provided by allopathic or osteopathic doctors. It requires insurers to provide benefits covering and paying for care by chiropractic doctors at least equal to and consistent with the benefits paid to other health care providers treating similar conditions within the scope of practice of chiropractic doctors. Under the bill, these carriers may not classify services provided by chiropractic doctors as physical therapy or place these services into other categories that unreasonably limit coverage or payments for such services, or impose copayments, coinsurance requirements or deductibles that are more burdensome or limiting than those imposed with respect to services provided by allopathic or osteopathic doctors. The copayment for each service provided in the course of an office visit to a chiropractic doctor may not exceed \$5 or 10% of the covered payment for such services, whichever is greater. The total copayment for the combined services provided in the course of an office visit to a chiropractic doctor may not exceed \$30 or 10% of the combined covered payment for such services, whichever is greater.

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 1266 An Act To Provide the Securities Administrator with the Power To Investigate Potential Violations Involving the Sale of Business Opportunities

**PUBLIC 224
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FITZPATRICK CUSHING	OTP-AM	H-265

This bill provides the Securities Administrator with the explicit authority to investigate potential violations involving the sale of business opportunities in this State. The Securities Administrator is charged with administering the law regarding the regulation of the sale of business opportunities. The authority provided in this bill is similar to the investigative authority conferred on the Securities Administrator to investigate violations of the Maine Commodity Code.

Committee Amendment "A" (H-265)

This amendment clarifies language used in the bill and adds an emergency preamble and emergency clause.

Enacted Law Summary

Public Law 2013, chapter 224 provides the Securities Administrator with the explicit authority to investigate potential violations involving the sale of business opportunities in this State. The Securities Administrator is charged with administering the law regarding the regulation of the sale of business opportunities. The authority provided in the law is similar to the investigative authority conferred on the Securities Administrator to investigate violations of the Maine Commodity Code.

Public Law 2013, chapter 224 was enacted as an emergency measure effective June 10, 2013.