

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
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

MEMBERS:

SEN. GEOFFREY M. GRATWICK, CHAIR
SEN. RICHARD G. WOODBURY
SEN. RODNEY L. WHITTEMORE

REP. SHARON ANGLIN TREAT, CHAIR
REP. PAULETTE G. BEAUDOIN
REP. HENRY E. M. BECK
REP. TERRY K. MORRISON
REP. JANICE E. COOPER
REP. JANE P. PRINGLE
REP. JOYCE A. FITZPATRICK
REP. MICHAEL D. MCCLELLAN
REP. RAYMOND A. WALLACE
REP. PETER DOAK

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

126TH LEGISLATURE

FIRST REGULAR SESSION



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

LD 1453

An Act To Increase the Transparency of Charges and Expenses of Hospitals That Receive State Funding

ONTP

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

Part A of this bill requires the Maine Health Data Organization to conduct an annual study of hospital financial data, to contract with an independent organization to analyze this data and to present the data and analysis in a format that is easily understood by the average consumer beginning in 2014. Part A also requires that the Department of Professional and Financial Regulation, Bureau of Insurance consider the analysis as part of the review process for health insurance rates.

Part B of the bill establishes the Commission to Study Transparency, Costs and Accountability of Health Care System Financing. The commission is comprised of 11 members appointed by the President of the Senate and Speaker of the House to evaluate current data reported by hospitals and health care facilities relating to charges, revenue and other financial data. The commission will make recommendations about how to standardize financial reporting about health care costs and the quality of health care services to enhance transparency to the public. The commission must also make recommendations to reduce health care costs, including the development of global budgets, accountable care organizations and other cost containment mechanisms.

In place of the bill, a majority of the committee introduced H.P. 1123, Joint Order Establishing the Commission to Study Transparency, Costs and Accountability of Health Care System Financing. H.P. 1123 was passed in the House and Senate.

LD 1466

An Act To Amend the Law Governing Provider Contracts with Insurance Companies

PUBLIC 399

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GOODALL	OTP-AM	S-284

This bill places certain requirements on contracts for preferred provider arrangements, which are contracts between a health insurance carrier and a health care provider in which the provider agrees to provide services to a health plan enrollee whose plan benefits include incentives for the enrollee to use the services of that provider. This bill imposes requirements and restrictions on these contracts, including:

1. Requiring a carrier who offers the contract to a health care provider to include in the contract a fee schedule and to provide any policies or procedures referred to in the contract to the provider, upon request by the provider;
2. Requiring the approval of a provider, in writing, of an amendment to the contract that materially and adversely affects provider reimbursement, including, but not limited to, increased documentation, preauthorization or utilization review requirements;
3. Prohibiting a carrier from subjecting enrollees under health plans included in the contract to preauthorization requirements if the enrollee's health plan does not require prior authorization as a condition of coverage for the applicable service; and
4. Requiring the provisions of law regarding these contracts to be included in each contract.