

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
126<sup>TH</sup> LEGISLATURE  
SECOND REGULAR SESSION



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

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

May 2014

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**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**  
126<sup>TH</sup> LEGISLATURE  
SECOND REGULAR SESSION  
**LEGISLATIVE DIGEST OF BILL SUMMARIES AND**  
**ENACTED LAWS**

The *Digest* is arranged 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.

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 Second Regular Session of the 126<sup>th</sup> Legislature is August 1, 2014. 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 1629      An Act To Amend the Laws Governing the Provider Profiling Program      ONTP**

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

This bill amends the law governing the health insurance provider profiling program to ensure that its requirements also apply to the establishment of narrow networks of health care providers.

See related bill, LD 1676, An Act to Strengthen Disclosure About Provider Networks in Health Insurance Plans to Consumers and Providers.

**LD 1651      An Act To Update Citations of Recodified Federal Regulations in the      PUBLIC 464**  
**Maine Consumer Credit Code**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WHITTEMORE TREAT	OTP	

This bill updates the Maine Consumer Credit Code so that existing references to federal regulations are up to date. The bill also amends the Maine Revised Statutes, Title 9-A, section 3-310 by consolidating references to the implementing regulations of the Federal Truth in Lending Act.

**Enacted Law Summary**

Public Law 2013, chapter 464 updates the Maine Consumer Credit Code so that existing references to federal regulations are up to date. The law also amends the Maine Revised Statutes, Title 9-A, section 3-310 by consolidating references to the implementing regulations of the Federal Truth in Lending Act.

**LD 1676      An Act To Strengthen Disclosure about Provider Networks in Health      PUBLIC 535**  
**Insurance Plans to Consumers and Providers**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCGOWAN	OTP-AM OTP-AM	H-718

This bill amends the law regarding the access standards that health insurance carriers must meet to require that the standards address the geographic locations and distribution of health care providers and that carriers mitigate the detrimental impact associated with requiring members to travel longer distances to obtain health care services.

**Committee Amendment "A" (H-718)**

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

The amendment requires a health insurance carrier to disclose information about its provider networks, including whether there are any hospitals, health care facilities, physicians, or other providers not included in the provider's network, and any differences in an enrollee's financial responsibilities for payment of covered services to a participating provider and to a provider not included in a provider network. The amendment authorizes the Superintendent of Insurance to adopt rules setting forth the manner, content and required disclosure of the information and specifies that those rules are routine technical rules.

## *Joint Standing Committee on Insurance and Financial Services*

The amendment also requires a health insurance carrier to disclose upon request from a provider the reason for the carrier's decision not to offer the provider the opportunity to participate, or to include the provider in any provider network of the carrier. The amendment requires that the written explanation indicate whether the reason was related to the provider's performance with respect to quality, cost or cost-efficiency. The amendment stipulates that a provider has no right of action as the result of such a disclosure.

### **Committee Amendment "B" (H-719)**

This amendment is the minority report of the committee and replaces the bill. The amendment requires a health insurance carrier to disclose information about its provider networks, including whether there are any hospitals, health care facilities, physicians or other providers not included in the provider's network and any differences in an enrollee's financial responsibilities for payment of covered services to a participating provider and to a provider not included in a provider network. The amendment authorizes the Superintendent of Insurance to adopt rules setting forth the manner, content and required disclosure of the information and specifies that those rules are routine technical rules.

This amendment does not include the additional provision included in the majority report, which requires a health insurance carrier to disclose upon request from a provider the reason for not including the provider in the carrier's provider network.

Committee Amendment "B" was not adopted.

### **Enacted Law Summary**

Public Law 2013, chapter 535 requires a health insurance carrier to disclose information about its provider networks, including whether there are any hospitals, health care facilities, physicians or other providers not included in the provider's network and any differences in an enrollee's financial responsibilities for payment of covered services to a participating provider and to a provider not included in a provider network. The law authorizes the Superintendent of Insurance to adopt rules setting forth the manner, content and required disclosure of the information and specifies that those rules are routine technical rules.

The law also requires a health insurance carrier to disclose upon request from a provider the reason for the carrier's decision not to offer the provider the opportunity to participate or to include the provider in any provider network of the carrier. The written explanation provided by the carrier must indicate whether the reason was related to the provider's performance with respect to quality, cost or cost-efficiency. The law stipulates that a provider has no right of action as the result of such a disclosure.

### **LD 1691 An Act To Stop Unlicensed Loan Transactions**

**PUBLIC 480**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
POWERS GRATWICK	OTP-AM	H-615 S-408 GRATWICK

This bill establishes that it is an unfair or deceptive act or practice in commerce, a violation of the Maine Unfair Trade Practices Act, and a violation of the Maine Consumer Credit Code if a lender, including a payday lender, makes an unlicensed loan transaction or assists in such a transaction. The bill does not affect supervised financial organizations.

### **Committee Amendment "A" (H-615)**

This amendment makes the following technical changes to the bill.