

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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Joint Standing Committee on Insurance and Financial Services

LD 882 An Act To Limit Health Care Mandates

**DIED BETWEEN
HOUSES**

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

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

The bill prohibits carriers from offering a health plan in this State on or after January 1, 2014 that exceeds the minimum essential benefits package determined in accordance with federal law. 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 to determine which mandated benefits are not included in the federal minimum essential benefits package and develop proposed legislation to eliminate those mandated benefits in state law. The bureau must submit its report within three months of the adoption of the minimum essential benefits package. The bill authorizes the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters to report out a bill based on the report to the First Regular Session of the 126th Legislature.

Committee Amendment "A" (H-723)

This amendment replaces the bill and changes the title. The amendment provides that, on or after January 1, 2014, health insurance carriers may not be required to provide benefits or coverage that exceeds benefits in the minimum essential benefits package determined in accordance with federal law.

Committee Amendment "A" was adopted in the House, but was not adopted in the Senate.

LD 1030 An Act To Reduce Costs for Small Businesses

**MAJORITY
(ONTP) REPORT**

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

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

The bill is a concept draft pursuant to Joint Rule 208. The bill proposes to establish subsidies, tax credits and other initiatives designed to lower the employer and employee costs of health insurance provided through small business owners to their employees. The bill would dedicate fees currently assessed on health insurers for funding affordable health care coverage to eligible small employers to fund the subsidies, tax credits and other initiatives proposed in the bill.

Committee Amendment "A" (H-736)

This amendment is the minority report and replaces the bill, which is a concept draft. The amendment establishes

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the small business health coverage income tax credit for small businesses with up to 50 employees that purchase health coverage through a small business health exchange established in the State pursuant to federal law. The credit is calculated as 5% of up to \$25,000 of expenditures paid and expenses incurred to purchase health coverage and is not refundable. The credit is phased in over 3 years beginning January 1, 2014 based on the number of eligible employees. To qualify for the tax credit, a small business must contribute at least 60% of the cost of coverage and have at least 50% of its employees earning less than the State's average hourly wage.

Committee Amendment "A" was not adopted.

LD 1179 An Act To Require Advance Review and Approval of Certain Small Group Health Insurance Rate Increases and To Implement the Requirements of the Federal Patient Protection and Affordable Care Act

**MAJORITY
(ONTP) REPORT**

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

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

Part A of the bill makes the rate review process for small group health insurance rates the same as the process for individual health insurance. Part A requires that, if a filing proposes an increase in rates in a small group health plan, the Superintendent of Insurance shall hold a hearing on the proposed rate increase at the request of the Attorney General. Part A makes it clear that in any hearings the burden of proving proposed rates are not excessive, inadequate or unfairly discriminatory is on the insurer. Part A also repeals the optional rate review process that permits small group health insurers that meet a minimum 78% medical loss ratio to file rates with the Department of Professional and Financial Regulations, Bureau of Insurance for informational purposes.

Part B of the bill amends the Maine Insurance Code to conform to the requirements of the federal Patient Protection and Affordable Care Act, Public Law 111-148. Part B also authorizes the Superintendent of Insurance to amend rules for consistency with the requirements of the federal law and any regulations adopted pursuant to that law.

Committee Amendment "A" (H-725)

This amendment replaces the bill and is the minority report of the committee. The amendment restores the statutory process for advance review and prior approval of individual health insurance rates and repeals the changes to the rate review process for individual health insurance made by Public Law 2011, chapter 90. The amendment also extends the same process for advance review and prior approval for small group health insurance rates, but makes those provisions contingent on the repeal of the federal Patient Protection and Affordable Care Act by Congress or the invalidation of the federal law by the United States Supreme Court, either in whole or in part.

Committee Amendment "A" was not adopted.

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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.

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6. It establishes standards for the participation of navigators through the marketplace and authorizes insurance producers to act as navigators with respect to both individuals and small employers.
7. It removes the provisions in the bill that eliminate the Dirigo Health program effective January 1, 2014 and transfer the health access payment from Dirigo Health, since the health access payment is eliminated as of January 1, 2014 pursuant to Public Law 2011, chapter 380, Part BBB. The amendment requires the board to report to the Legislature and the Governor with recommendations for how the marketplace can be self-sustaining by 2015 and also requires the board to study the effect of adverse selection on the marketplace.
8. It removes the provisions in the bill making changes to the Maine Insurance Code that preserve the authority of the Superintendent of Insurance to enforce the federal Patient Protection and Affordable Care Act since substantially similar provisions were enacted by Public Law 2011, chapter 364.
9. It removes the provision in the bill requiring the Department of Professional and Financial Regulation, Bureau of Insurance to review the minimum essential benefits package to be determined by the Secretary of the United States Department of Health and Human Services in comparison with existing state mandated health insurance benefit laws.
10. It allocates funds for the Executive Director of the Maine Health Benefit Marketplace.

Committee Amendment "A" was not adopted.

LD 1636 An Act To Extend Certain Insurance Protection to Emergency Responders

PUBLIC 493

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LUCHINI LANGLEY	OTP-AM	H-722

Current law prohibits an insurer from increasing the insurance policy premium of a law enforcement officer for a motor vehicle accident that occurs while the officer is acting in the course and scope of employment. This bill extends this protection to emergency responders.

Committee Amendment "A" (H-722)

This amendment changes the definition of "emergency responder" to clarify that the protection extended in the bill applies only to motor vehicle accidents involving the use of a municipal vehicle or an emergency medical services vehicle licensed in accordance with state law and does not include accidents involving a personal vehicle of an emergency responder.

Enacted Law Summary

Public Law 2011, chapter 493 prohibits an insurer from increasing the insurance policy premium of an emergency responder for a motor vehicle accident involving the use of a municipal vehicle or an emergency medical services vehicle licensed in accordance with state laws while an emergency responder is acting in the course and scope of employment.

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LD 1637 An Act To Permit Financial Institutions To Share Certain Information for the Purpose of Preventing Electronic Bank Card Losses and Other Fraud

PUBLIC 518

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RICHARDSON W	OTP-AM	H-717

Current law permits the sharing of financial records information under the exemptions in the federal Gramm-Leach-Bliley Act and its implementing regulations. Financial institutions can share information about individuals in order to protect against fraud, unauthorized transactions, claims and other liability. This bill allows financial institutions to share financial records information about business customers, other than individuals, for the same purposes.

Committee Amendment "A" (H-717)

This amendment clarifies the bill to ensure that disclosure of financial records of a business and, in particular, business records of a sole proprietor may be made by a financial institution to protect against fraud, unauthorized transactions and other liability.

Enacted Law Summary

Current law permits the sharing of financial records information under the exemptions in the federal Gramm-Leach-Bliley Act and its implementing regulations. Financial institutions can share information about individuals in order to protect against fraud, unauthorized transactions, claims and other liability. Public Law 2011, chapter 518 allows financial institutions to share financial records of a business and, in particular, records of a sole proprietor for the same purposes.

LD 1666 An Act To Guarantee Basic Preventive Dental Health Services for Children in Maine

ONTP

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

This bill requires dental insurers and health insurers and health maintenance organizations that include coverage for dental services in their policies and contracts to provide coverage for preventive dental health services for children. The bill applies to policies and contracts issued or renewed on or after January 1, 2013.

LD 1670 An Act Relating to Rating on the Basis of Group Size in the Small Group Health Insurance Market

PUBLIC 638

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
COURTNEY	OTP-AM	S-522

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This bill extends the provisions of the law governing the Maine Guaranteed Access Reinsurance Association to insurers that offer small group health plans to groups of 10 or fewer members.

Committee Amendment "A" (S-522)

This amendment replaces the bill and changes the title. The amendment provides that, beginning October 1, 2012, the rating factor used by small group health insurance carriers for group size must be combined within the maximum rate differential due to age of 2.5 to 1. The combined rating band for age and group size would be increased to 3 to 1 on January 1, 2014 and, to the extent permitted by the federal Affordable Care Act, further increased each year by a factor of 1 up to a combined 5 to 1 rating band on January 1, 2016. Under current law, the rating factor for group size falls outside of the rating bands.

Enacted Law Summary

Public Law 2011, chapter 638 provides that, beginning October 1, 2012, the rating factor used by small group health insurance carriers for group size must be combined within the maximum rate differential due to age of 2.5 to 1. The combined rating band for age and group size would be increased to 3 to 1 on January 1, 2014 and, to the extent permitted by the federal Affordable Care Act, further increased each year by a factor of 1 up to a combined 5 to 1 rating band on January 1, 2016. Under current law, the rating factor for group size falls outside of the rating bands.

**LD 1682 An Act To Allow Employees of the Small Enterprise Growth Board To Participate in the State's Group Health Plan PUBLIC 514
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RECTOR	OTP-AM	S-393

This bill allows the employees of the Small Enterprise Growth Board to participate in the State's group health plan.

Committee Amendment "A" (S-393)

This amendment provides that employees of the Small Enterprise Growth Board are eligible to participate in the State's group health plan effective July 1, 2012.

Enacted Law Summary

Public Law 2011, chapter 514 allows employees of the Small Enterprise Growth Board to participate in the State's group health plan beginning July 1, 2012.

Public Law 2011, chapter 514 was enacted as an emergency measure effective March 16, 2012.

LD 1691 An Act Related to Specialty Tiers in Prescription Medication Pricing PUBLIC 611

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FITTS	OTP-AM MAJ ONTP MIN	H-813

This bill provides that a health plan covering prescription drugs may not require cost sharing, deductibles or coinsurance obligations for prescription drugs that exceed the dollar amount for nonpreferred brand drugs or for

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brand drugs if there is no nonpreferred brand drug category.

Committee Amendment "A" (H-813)

This amendment replaces the bill and is the majority report of the committee. To the extent not inconsistent with the federal Affordable Care Act, the amendment requires health benefit plans that provide prescription drugs to provide a separate total limit for out-of-pocket expenses for prescription drugs provided under the health plan subject to coinsurance that does not exceed \$3,500 per year if the carrier does not include out-of-pocket expenses for prescription drugs subject to coinsurance under the health plan's total limit for out-of-pocket expenses for all benefits provided under the health plan. The amendment authorizes a carrier to adjust its limit for out-of-pocket expenses to minimize any premium increase that might otherwise result.

The amendment also adds an application clause so that the provisions apply to health insurance policies, contracts and certificates issued or renewed on or after January 1, 2013.

Enacted Law Summary

Public Law 2011, chapter 611 requires health benefit plans to provide a separate total limit for out-of-pocket expenses that does not exceed \$3,500 per year for prescription drugs provided under the health plan subject to coinsurance if the carrier does not include out-of-pocket expenses for prescription drugs subject to coinsurance under the health plan's total limit for out-of-pocket expenses for all benefits provided under the health plan. The law authorizes a carrier to adjust its limit for out-of-pocket expenses to minimize any premium increase that might otherwise result.

The law applies to health insurance policies, contracts and certificates issued or renewed on or after January 1, 2013.

LD 1702 An Act To Correct Inconsistencies and Ambiguities in the Maine Guaranteed Access Reinsurance Association Act

PUBLIC 621

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RICHARDSON W	OTP-AM MAJ OTP-AM MIN	H-847

This bill makes technical corrections to address inconsistencies and ambiguities in the Maine Guaranteed Access Reinsurance Association Act.

1. It clarifies that the initial claim reimbursement period for the first year of the program is the calendar year, beginning January 1, 2012 and ending December 31, 2012. All claims must be incurred in the same calendar year for which reimbursement is sought.
2. It allows a member insurer to designate a person for reinsurance through the use of claims history, risk scores and other reasonable means, in addition to the use of a health statement. It also allows a member insurer to designate a person for reinsurance in the event the person omitted material information from the health statement or misrepresented the person's health status on the health statement.
3. It clarifies that a member insurer has the option of designating a person for reinsurance based upon the existence or history of a medical or health condition that is on a list developed by the board for this purpose.
4. It allows a member insurer to designate a person for reinsurance if the person changes policies or benefit levels or adds new members to a policy.
5. It clarifies that the law is not intended to limit the ability of a member insurer to designate a currently covered

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person for reinsurance.

6. It requires a member insurer who seeks reimbursement with respect to a covered person who is in the member insurer's closed book of business for individual health plans and who would have been designated for reinsurance by the member insurer to do so by October 1, 2012.

Committee Amendment "A" (H-847)

This amendment replaces the bill and is the majority report of the committee. The amendment makes the following technical corrections to address inconsistencies and ambiguities in the Maine Guaranteed Access Reinsurance Association Act.

1. It clarifies that reimbursement is based on the calendar year in which the claim was incurred, except that the initial claim reimbursement period for the first year of the program is the period beginning July 1, 2012 and ending December 31, 2012.
2. It allows a member insurer to designate a person for reinsurance through the use of claims history, risk scores and other reasonable means, in addition to the use of a health statement. It also allows a member insurer to designate a person for reinsurance in the event the person omitted material information from the health statement or misrepresented the person's health status on the health statement. It clarifies that a person's health statement, claims history or risk scores or the omission of material information from the health statement or misrepresentation of a person's health status may not be used by a carrier as a basis for denying, cancelling or refusing to renew an individual health plan.
3. It allows a member insurer to designate a person for reinsurance if the person is added to a policy.
4. It clarifies that protected health information obtained by the association that is confidential under federal and state law remains confidential and is not open to public inspection.
5. It clarifies that the Maine Revised Statutes, Title 24-A, section 3961 applies to the closed book of business for individual health plans sold between December 1, 1993 and July 1, 2012, and that reimbursement to member insurers with respect to closed books of business is subject to the same claims reimbursement periods and retention levels as open books of business. It also clarifies that Title 24-A, section 3961 is not intended to limit the ability of a member insurer to designate a covered person for reinsurance pursuant to Title 24-A, section 3959.
6. It requires a member insurer who seeks reimbursement with respect to a covered person who is in the member insurer's closed book of business for individual health plans to designate the member insurer for reinsurance by October 1, 2012.
7. It clarifies that member insurers are required to pay reinsurance premium rates with respect to covered persons designated under Title 24-A, section 3961.

Committee Amendment "B" (H-848)

This amendment replaces the bill and is the minority report of the committee. This amendment incorporates all of the provisions in Committee Amendment "A" and also adds provisions making meetings of the Board of Directors of the Maine Guaranteed Access Reinsurance Association public under the State's freedom of access laws.

Committee Amendment "B" was not adopted.

Enacted Law Summary

Public Law 2011, chapter 621 makes technical corrections to address inconsistencies and ambiguities in the Maine Guaranteed Access Reinsurance Association Act.

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1. The law clarifies that reimbursement is based on the calendar year in which the claim was incurred, except that the initial claim reimbursement period for the first year of the program is the period beginning July 1, 2012 and ending December 31, 2012.
2. The law allows a member insurer to designate a person for reinsurance through the use of claims history, risk scores and other reasonable means, in addition to the use of a health statement. It also allows a member insurer to designate a person for reinsurance in the event the person omitted material information from the health statement or misrepresented the person's health status on the health statement. It clarifies that a person's health statement, claims history or risk scores or the omission of material information from the health statement or misrepresentation of a person's health status may not be used by a carrier as a basis for denying, cancelling or refusing to renew an individual health plan.
3. The law allows a member insurer to designate a person for reinsurance if the person is added to a policy.
4. The law clarifies that protected health information obtained by the association that is confidential under federal and state law remains confidential and is not open to public inspection.
5. The law clarifies that the Maine Revised Statutes, Title 24-A, section 3961 applies to the closed book of business for individual health plans sold between December 1, 1993 and July 1, 2012, and that reimbursement to member insurers with respect to closed books of business is subject to the same claims reimbursement periods and retention levels as open books of business. It also clarifies that Title 24-A, section 3961 is not intended to limit the ability of a member insurer to designate a covered person for reinsurance pursuant to Title 24-A, section 3959.
6. The law requires a member insurer who seeks reimbursement with respect to a covered person who is in the member insurer's closed book of business for individual health plans to designate the member insurer for reinsurance by October 1, 2012.
7. The law clarifies that member insurers are required to pay reinsurance premium rates with respect to covered persons designated under Title 24-A, section 3961.

**LD 1716 An Act To Require Funds for Prearranged Funerals To Be Invested
Subject to the Requirements of the Maine Uniform Prudent Investor
Act and To Update Related Provisions**

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BECK SULLIVAN	ONTP	

This bill requires that funds held in prearranged funeral and burial plans be invested and managed consistent with the prudent investor rule and related requirements of the Maine Uniform Prudent Investor Act. It also provides that such funds may be deposited in a national banking institution authorized to act as a fiduciary pursuant to federal law and the regulations of the federal Office of the Comptroller of the Currency.

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LD 1717 An Act To Establish a Preneed Life Insurance Producer License and ONTP
Preneed Life Insurance Product for Prearranged Funeral Plans

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

This bill makes the following changes to expand the availability of preneed life insurance products as a means of funding prearranged funeral plans.

1. It authorizes a limited line preneed life insurance product and a limited line preneed life insurance producer license.
2. It repeals the prohibition on an insurer retaining or employing a funeral establishment or its employees as producers.
3. It authorizes the payment of commissions in connection with the sale of limited line preneed life insurance by producers who are duly licensed to make such sales.
4. For purposes of the laws governing funeral practices, it limits impermissible solicitations of prearranged funeral plans to uninvited telephone and door-to-door contacts.
5. It requires that an authorized representative of a mortuary sign a prearranged funeral or burial plan.

LD 1769 An Act Regarding Subrogation of Medical Payments Coverage PUBLIC 509

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PICCHIOTTI WHITTEMORE	OTP MAJ ONTP MIN	

Current law prohibits a claim for subrogation for an award or settlement under the medical payments coverage in a casualty insurance policy if the award or settlement does not exceed \$20,000. This bill removes that prohibition.

Enacted Law Summary

Public Law 2011, chapter 509 repeals the provision in current law that prohibits insurers from subrogating claims for medical payments below \$20,000.

LD 1773 An Act Regarding Insurance Adjusters and Reporting Requirements PUBLIC 554
for Insurance Companies

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CUSHING WHITTEMORE	OTP-AM MAJ ONTP MIN	H-735

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This bill provides that the performance of clerical activities associated with licensed adjuster activities for portable electronic devices does not require an adjuster's license. It requires insurance companies to notify the Superintendent of Insurance of all executive officers and directors of entities owning and individuals owning 51% or more of their outstanding voting securities. It clarifies the reporting standards for nonresident insurance companies. It adds provisions governing the licensure of a resident of Canada as an adjuster.

Committee Amendment "A" (H-735)

This amendment is the majority report and makes the following changes to the bill.

1. It makes clarifying changes to the provision that provides an exemption from licensing for certain individuals that perform clerical activities associated with claims adjustment for portable electronic device insurance.
2. It removes language related to the reporting requirements for nonresident business entities.
3. It removes the provision related to the licensure of a resident of Canada as an insurance adjuster.

Enacted Law Summary

Public Law 2011, chapter 554 provides that the performance of clerical activities associated with licensed adjuster activities for portable electronic devices does not require an adjuster's license. The law exempts individuals employed by a licensed adjuster or the adjuster's affiliate who collect claims information from, or furnish claims information to, insureds or claimants and conduct data entry into an automated claims adjudication system as long as no more than 25 of these individuals are under the supervision of one licensed adjuster or insurance producer.

The law also requires business entities licensed as insurance producers, adjusters or consultants to notify the Superintendent of Insurance of all executive officers and directors of entities owning and individuals owning 51% or more of their outstanding voting securities.

**LD 1893 Resolve, Regarding Legislative Review of Portions of Chapter 850:
Health Plan Accountability, a Major Substantive Rule of the
Department of Professional and Financial Regulation**

**RESOLVE 150
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM	H-849

This resolve provides for legislative review of portions of Chapter 850: Health Plan Accountability, a major substantive rule of the Department of Professional and Financial Regulation.

Committee Amendment "A" (H-849)

This amendment authorizes final adoption of portions of Chapter 850: Health Plan Accountability as long as the provision related to access to behavioral health care practitioners is amended to require the reasonable availability of those practitioners within a carrier's delivery system.

Enacted Law Summary

Resolve 2011, chapter 150 authorizes final adoption of portions of Chapter 850: Health Plan Accountability, a major substantive rule, as long as the provision related to access to behavioral health care practitioners is amended to require the reasonable availability of those practitioners within a carrier's delivery system.

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Resolve 2011, chapter 150 was finally passed as an emergency measure effective April 6, 2012.

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SUBJECT INDEX

Banking and Credit Unions

Enacted

LD 1637 **An Act To Permit Financial Institutions To Share Certain
Information for the Purpose of Preventing Electronic Bank Card
Losses and Other Fraud** **PUBLIC 518**

Insurance, Health

Enacted

LD 1497 **An Act Relating to Navigators under Health Benefit Exchanges** **PUBLIC 631**

LD 1670 **An Act Relating to Rating on the Basis of Group Size in the Small
Group Health Insurance Market** **PUBLIC 638**

LD 1682 **An Act To Allow Employees of the Small Enterprise Growth
Board To Participate in the State's Group Health Plan** **PUBLIC 514
EMERGENCY**

LD 1691 **An Act Related to Specialty Tiers in Prescription Medication
Pricing** **PUBLIC 611**

LD 1702 **An Act To Correct Inconsistencies and Ambiguities in the Maine
Guaranteed Access Reinsurance Association Act** **PUBLIC 621**

LD 1893 **Resolve, Regarding Legislative Review of Portions of Chapter
850: Health Plan Accountability, a Major Substantive Rule of the
Department of Professional and Financial Regulation** **RESOLVE 150
EMERGENCY**

Not Enacted

LD 882 **An Act To Limit Health Care Mandates** **DIED BETWEEN
HOUSES**

LD 1030 **An Act To Reduce Costs for Small Businesses** **MAJORITY
(ONTP) REPORT**

LD 1179 **An Act To Require Advance Review and Approval of Certain
Small Group Health Insurance Rate Increases and To Implement
the Requirements of the Federal Patient Protection and
Affordable Care Act** **MAJORITY
(ONTP) REPORT**

LD 1498 **An Act To Phase Out Dirigo Health and Establish the Maine
Health Benefit Exchange for Small Businesses and Individuals** **MAJORITY
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LD 1666 **An Act To Guarantee Basic Preventive Dental Health Services for
Children in Maine** **ONTP**

Insurance, Motor Vehicle

Enacted

LD 1769 **An Act Regarding Subrogation of Medical Payments Coverage** **PUBLIC 509**

Insurance, Regulation and Practices

Enacted

LD 1636 **An Act To Extend Certain Insurance Protection to Emergency Responders** **PUBLIC 493**

LD 1773 **An Act Regarding Insurance Adjusters and Reporting Requirements for Insurance Companies** **PUBLIC 554**

Not Enacted

LD 1716 **An Act To Require Funds for Prearranged Funerals To Be Invested Subject to the Requirements of the Maine Uniform Prudent Investor Act and To Update Related Provisions** **ONTP**

LD 1717 **An Act To Establish a Preneed Life Insurance Producer License and Preneed Life Insurance Product for Prearranged Funeral Plans** **ONTP**

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