

**STATE OF MAINE**  
127<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



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

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

August 2015

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*Joint Standing Committee on Insurance and Financial Services*

**LD 24      An Act To Create a Public State Bank**

**Accepted Majority  
(ONTP) Report**

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

This bill establishes the Maine Street Bank effective July 1, 2017 except that the bank may not make, purchase, guarantee, modify or hold loans until the bank has capital of at least \$20,000,000. It specifies the purposes of the bank, establishes a board of directors and creates an advisory committee. It allows the bank to accept deposits of public funds, to make, purchase, guarantee, modify or hold certain loans and to serve as a custodian bank. It directs the Treasurer of State to deposit money into the bank. Excess income of the bank is deposited in the Maine Budget Stabilization Fund.

The bill provides for a quarterly examination of the bank by the Department of Professional and Financial Regulation, Bureau of Financial Institutions and an audit by the State Auditor every two years.

The bill allows counties and municipalities to establish public banks.

The bill directs the Treasurer of State, the Commissioner of Administrative and Financial Services and the Chief Executive Officer of the Finance Authority of Maine to consult with the Attorney General and report to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs by January 15, 2016 with recommendations to fully implement the bank, including recommendations regarding the merger of the Finance Authority of Maine into the bank. It authorizes the joint standing committee to report out a bill to the Second Regular Session of the 127th Legislature.

**Committee Amendment "A" (H-35)**

This amendment is the minority report of the committee. The amendment appropriates one-time funds to the Finance Authority of Maine to research and prepare the report related to the merger of the Finance Authority of Maine with the Maine Street Bank established in the bill.

**LD 124      An Act To Require Payment by a Carrier for Health Care Services  
Provided to Enrollees of the Carrier**

**PUBLIC 84**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GRATWICK SANBORN	OTP-AM	S-47

Providers who treat enrollees of a carrier are not compensated for care provided during the pendency of credentialing. This bill requires retroactive payment to a provider for services rendered from the date a credentialing application is submitted for up to 60 days prior to credentials being granted.

**Committee Amendment "A" (S-47)**

This amendment replaces the bill. The amendment requires carriers to pay providers for services rendered prior to credentials being granted, retroactive to when a complete application for credentialing is submitted, as long as credentials are granted to that provider by the carrier. The bill required retroactive payment to a provider for services rendered up to 60 days prior to credentials being granted. The amendment clarifies that a claim may not be submitted until the provider has been notified of the credentialing decision and the effective date of any credentials.

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

The amendment also makes a spelling change to match the preferred spelling of the relevant national accrediting organization.

### **Enacted Law Summary**

Public Law 2015, chapter 84 requires carriers to pay providers for services rendered prior to credentials being granted, retroactive to when a complete application for credentialing is submitted, as long as credentials are granted to that provider by the carrier.

<b>LD 135</b>	<b>An Act To Reduce Tobacco Use Surcharges in Small Group and Individual Health Insurance Products</b>	<b>Veto Sustained</b>
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SANBORN GRATWICK	OTP-AM	H-26

This bill prohibits carriers providing individual health plans or small group health plans from adding a surcharge for tobacco use.

### **Committee Amendment "A" (H-26)**

The amendment replaces the bill, which proposed to prohibit carriers providing individual health plans or small group health plans from adding a surcharge for tobacco use. The amendment reduces the maximum rate differential that may be applied by a carrier for tobacco use in individual and small group health insurance policies from 1.5 to 1.2 to 1 and makes the changed rate differential apply to all policies, contracts and certificates issued or renewed on or after January 1, 2017.

<b>LD 144</b>	<b>Resolve, To Study State and Federal Laws Regarding Online Privacy and Data Security To Develop Ways To Further Protect Consumers from Identity Theft and Fraud</b>	<b>Died On Adjournment</b>
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<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RUSSELL	OTP-AM ONTP	H-101

This bill authorizes a person, firm, partnership, association or corporation that offers for purchase an electronic downloadable product to require, as a condition of accepting a credit card for payment, that a consumer provide personal identification information only if that person, firm, partnership, association or corporation requires that information solely for the detection, investigation or prevention of fraud, theft, identity theft or criminal activity or for enforcement of the terms of sale. The bill requires any personal identification information collected for these purposes to be destroyed after it is no longer needed and also prohibits the further sharing of that information.

The bill authorizes a person, firm, partnership, association or corporation that offers for purchase an electronic downloadable product to require that a consumer establish an account as a condition for the purchase of a downloadable product and to require that a consumer provide personal identification information, as long as the consumer is provided an opportunity to opt out of the collection of personal identification information before completing the online transaction.

### **Committee Amendment "A" (H-101)**

This amendment is the majority report of the committee. This amendment replaces the bill and changes it into a resolve. The amendment establishes a task force to study state and federal laws regarding online privacy and data

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

security. The task force is composed of 13 members, including seven Legislators and six representatives of privacy and data security associations, consumer protection advocates, financial institutions, online retailers, technology companies and an organization whose mission is to protect the United States Constitution and the privacy of citizens. The amendment requires the task force to identify policy options for the State to consider to protect consumers from identity theft and fraud when making purchases online. The amendment requires the task force to report back to the Legislature before the Second Regular Session of the 127th Legislature.

### **LD 220      An Act To Require Proper Notification of Life Insurance Cancellation**

**PUBLIC 61  
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DOORE KATZ	OTP-AM OTP-AM	H-39

This bill requires insurers to provide notice of the lapse or termination of a life insurance policy by registered mail.

#### **Committee Amendment "A" (H-39)**

This amendment is the majority report of the committee. The amendment replaces the bill, which proposes to require individual life insurers to provide notice of termination of a life insurance policy by registered mail. The amendment requires the Maine Public Employees Retirement System to provide notice of cancellation of life insurance coverage administered by the Maine Public Employees Retirement System to an employee and any designated third party. The notice must be by mail. The amendment also allows an employee covered by the Maine Public Employees Retirement System to designate a third party to receive the cancellation notice. The amendment also adds an emergency preamble and clause.

#### **Committee Amendment "B" (H-40)**

This amendment is the minority report of the committee. The amendment replaces the bill, which proposes to require individual life insurers to provide notice of termination of a life insurance policy by registered mail. The amendment requires the Maine Public Employees Retirement System to provide notice of cancellation of life insurance coverage administered by the Maine Public Employees Retirement System to an employee and any designated third party. The notice must be by certified mail. The amendment also allows an employee covered by the Maine Public Employees Retirement System to designate a third party to receive the cancellation notice. The amendment also adds an emergency preamble and clause.

#### **Enacted Law Summary**

Public Law 2015, chapter 61 requires the Maine Public Employees Retirement System to provide notice of cancellation of life insurance coverage administered by the Maine Public Employees Retirement System to an employee and any designated third party by mail.

Public Law 2015, chapter 61 was enacted as an emergency measure effective May 10, 2015.

### **LD 243      An Act To Restore Consumer Rate Review for Health Insurance Plans in the Individual Market**

**Died Between  
Houses**

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

This bill amends the rate review process for individual health insurance. It requires advance review and prior

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

approval of individual health insurance rates. It requires the Superintendent of Insurance to hold a hearing if a filing proposes an increase in rates in individual health insurance plans. It requires the Superintendent of Insurance to disapprove premium rates unless the minimum medical loss ratio satisfies the statutory requirements for individual health plans. The changes apply to individual health plan rate filings submitted to the Department of Professional and Financial Regulation, Bureau of Insurance beginning with the 2016 plan or policy year. The bill also requires meetings of the Board of Directors of the Maine Guaranteed Access Reinsurance Association to be open to the public.

**Committee Amendment "A" (H-104)**

This amendment is the majority report of the committee. The amendment requires the Superintendent of Insurance to hold meetings in at least three locations throughout the State to allow public comment on a rate filing if the rate filing proposes an increase in rates in individual health insurance plans that exceeds the rate of medical inflation by two percent or more. The bill requires a hearing to be held pursuant to the Maine Administrative Procedure Act for every rate filing proposing an increase in rates in individual health plans. The changes in the amendment apply to rate filings beginning with the 2017 plan or policy year, instead of the 2016 plan or policy year as proposed in the bill.

The amendment also removes the section of the bill related to meetings of the Board of Directors of the Maine Guaranteed Access Reinsurance Association.

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

**LD 251      An Act To Limit Allowable Health Care Charges in Certain Specified Situations      Accepted Minority (ONTP) Report**

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

This bill limits a health plan enrollee's responsibility for the cost of covered health care when an enrollee receives health care services from an out-of-network provider at a participating hospital or other health care facility to the cost-sharing provisions for participating providers.

**Committee Amendment "A" (S-35)**

This amendment is the majority report of the committee. The amendment replaces the bill and changes the title. The amendment requires hospital and ambulatory surgical centers to disclose to patients when a health care provider rendering nonemergency surgical or other medical services is not employed by the hospital or ambulatory surgical center and may not be a participating provider in the patient's health insurance carrier network. The amendment also clarifies that the provision does not limit or change the application of the rules of the Department of Professional and Financial Regulation, Bureau of Insurance governing health plan accountability.

Committee Amendment "A" was not adopted.

**LD 289      An Act To Amend the Health Plan Improvement Law Regarding Prescription Drug Step Therapy      Veto Sustained**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ROSEN	OTP-AM ONTP	S-104

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

This bill provides that the clinical review criteria used by a carrier in approving prescription drug step therapy must adhere to federal Food and Drug Administration prescription drug labeling and may not require failure on the same medication on more than one occasion for enrollees continuously enrolled in a health plan offered by the carrier. The bill also provides that the provisions may not be construed to prevent a health care practitioner from prescribing a medication for an off-label use or from prescribing a medication on more than one occasion when the health care practitioner determines it is medically appropriate.

If a carrier requires the failure on one or more drugs as a condition of prior authorization for a nonpreferred drug, the bill prohibits a carrier from collecting a copayment greater than the lowest cost preferred drug copayment in the same drug class from an enrollee that has satisfied the carrier's prior authorization requirements.

### **Committee Amendment "A" (S-104)**

This amendment, which is the majority report of the committee, replaces the bill. The amendment provides that the clinical review criteria used by a carrier in approving prescription drugs may not prevent a health care practitioner from prescribing a medication for an off-label use, may not require failure on the same medication on more than one occasion for enrollees continuously enrolled in a health plan offered by the carrier and may not prevent a health care practitioner from prescribing a medication on more than one occasion when the health care practitioner determines it is medically appropriate.

The amendment also prohibits a carrier from requiring the failure on one or more drugs as a condition of prior authorization for a nonpreferred drug unless an enrollee has affirmatively agreed to the condition each time a carrier seeks to impose such a condition. The amendment does not restrict the cost-sharing imposed by a carrier.

### **LD 329 An Act To Allow Equipment Rental Companies To Sell Insurance**

**PUBLIC 77**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PICCHIOTTI WHITTEMORE	OTP-AM ONTP	H-80

This bill allows a rental company to offer for sale an insurance policy insuring against the loss of or damage to equipment rented for personal or household purposes.

### **Committee Amendment "A" (H-80)**

This amendment replaces the bill and is the majority report of the committee. The amendment reallocates section 1 of the bill, which allows a rental company to offer for sale an insurance policy insuring against the loss of or damage to equipment rented for personal or household purposes, to the appropriate subchapter of the Maine Insurance Code. The amendment establishes a licensing structure for equipment rental insurance that is the same as the licensing structure for insurance sold in connection with renting a motor vehicle. The amendment requires rental companies to obtain a business entity license to sell insurance in connection with renting equipment and requires at least one employee at each office of the rental company located in the State to obtain a limited lines insurance producer license. The amendment also adds provisions to clarify that the insurance sold in connection with rental equipment is a limited lines insurance product and applicants for a license to sell that insurance product are exempt from examination.

### **Enacted Law Summary**

Public Law 2015, chapter 77 allows a rental company to offer for sale an insurance policy insuring against the loss of or damage to equipment rented for personal or household purposes. The law establishes a licensing structure for equipment rental insurance that is the same as the licensing structure for insurance sold in connection with renting a

*Joint Standing Committee on Insurance and Financial Services*

motor vehicle. The law requires rental companies to obtain a business entity license to sell insurance in connection with renting equipment and requires at least one employee at each office of the rental company located in the State to obtain a limited lines insurance producer license. The law also clarifies that the insurance sold in connection with rental equipment is a limited lines insurance product and applicants for a license to sell that insurance product are exempt from examination.

**LD 336      Resolve, Directing the Finance Authority of Maine To Convene a Stakeholder Group To Develop Solutions To Reduce the Negative Effect of Student Loan Debt on Home Ownership      Died Between Houses**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FECTEAU DUTREMBLE	OTP-AM	H-30

This bill establishes the Homes for Student Loans Program within the Finance Authority of Maine. The bill directs the authority to develop a loan product that combines outstanding federal and state student loan debt with a home mortgage.

**Committee Amendment "A" (H-30)**

This amendment replaces the bill with a resolve that directs the Finance Authority of Maine to convene a stakeholder group to study the issues surrounding outstanding student loan debt and its negative effect on the ability of Maine residents to purchase homes. The amendment requires that the authority report the findings and recommendations of the stakeholder group, including suggested legislation, to the Joint Standing Committee on Insurance and Financial Services no later than January 1, 2016.

**LD 337      An Act To Require Lienholders To Remove Liens Once Satisfied      PUBLIC 210**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CAMPBELL R BURNS	OTP-AM ONTP	H-136 S-242 WHITTEMORE

This bill requires a lienholder to remove a lien no later than 30 days after a lien has been satisfied and to provide written notice of the lien's discharge to any person provided notice at the time the lien was originally filed.

**Committee Amendment "A" (H-136)**

This amendment is the majority report of the committee and replaces the bill. Unless a specific time period is otherwise provided, the amendment requires a lienholder to remove a lien issued pursuant to the laws of this State no later than 60 days after a lien has been satisfied. The amendment also clarifies that the requirement does not apply to financing statements filed pursuant to the Uniform Commercial Code. The bill requires removal of a lien within 30 days and applies to all liens filed under state law. The amendment requires a lienholder to provide written notice by first-class mail of the lien's removal to any person provided notice at the time the lien was originally filed. The amendment also provides that a lienholder other than a municipality that fails to remove a lien is liable to a debtor or owner of the property for damages.

**Senate Amendment "A" To Committee Amendment "A" (S-242)**

This amendment removes the language in Committee Amendment "A" requiring a holder of a lien to provide written notice to any person who was provided notice of the lien at the time the lien was originally filed that the lien has been removed. In addition to exempting municipalities as provided in Committee Amendment "A", the amendment adds language exempting the State and other governmental entities from potential liability to a debtor for the failure

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

to remove a lien. The amendment also provides that the liability of a holder of a lien to a debtor is for reasonable attorney's fees and costs incurred to cure a lien as a result of the failure to remove a lien and removes language in Committee Amendment "A" authorizing liability for actual damages.

**Enacted Law Summary**

Public Law 2015, chapter 210 requires a lienholder to remove a lien issued pursuant to the laws of this State no later than 60 days after a lien has been satisfied unless a specific time period is otherwise provided. The law also provides that a lienholder, other than the State, a municipality and other government entity, that fails to remove a lien is liable to a debtor or owner of the property for reasonable attorney's fees and costs incurred to cure a lien as a result of the failure to remove a lien.

Public Law 2015, chapter 210 does not apply to financing statements filed pursuant to the Uniform Commercial Code.

**LD 347      An Act Concerning Billing between Emergency Medical Services Providers and Insurance Companies**

**Accepted Majority  
(ONTP) Report**

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

This bill requires health insurance carriers to reimburse for the costs of emergency medical services, including calls for emergency medical assistance when a person is not transported to a hospital. The requirements of the bill apply to all health insurance policies issued or renewed on or after January 1, 2016.

**Committee Amendment "A" (S-70)**

This amendment is the minority report of the committee and replaces the bill with a resolve that requires the Department of Professional and Financial Regulation, Bureau of Insurance to conduct a review and evaluation of the mandated health benefit proposed by the bill in accordance with the requirements of the Maine Revised Statutes, Title 24-A, section 2752. The amendment requires that the review and evaluation must be submitted to the Joint Standing Committee on Insurance and Financial Services on or before January 1, 2016 and authorizes the committee to report out a bill based on the review and evaluation to the Second Regular Session of the 127th Legislature.

**LD 359      An Act To Assist Persons with Breast Cancer**

**PUBLIC 227**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LONGSTAFF BREEN	OTP ONTP	S-144    WHITTEMORE

This bill provides that individual and group health insurance policies must ensure that inpatient coverage with respect to breast cancer treatment is provided for a hospital stay of no less than 48 hours insofar as the attending physician, in consultation with the patient, determines it to be medically appropriate following a mastectomy or lumpectomy or of no less than 24 hours following a lymph node dissection. Under current law, the minimum hospital stay is not prescribed but must be provided for a period of time determined to be medically appropriate by the attending physician in consultation with the patient.

**Senate Amendment "B" (S-144)**

This amendment strikes the bill. The amendment requires carriers to provide written notice regarding the requirements for inpatient coverage following treatment of breast cancer to physicians participating in the carrier's

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

provider network and requires attending physicians to provide a similar notice to patients when consulting with patients about breast cancer treatment. The amendment strikes the provisions in the bill requiring that inpatient coverage be provided for a hospital stay of no less than 48 hours following a mastectomy or lumpectomy or no less than 24 hours following a lymph node dissection.

### **Enacted Law Summary**

Public Law 2015, chapter 227 requires carriers to provide written notice regarding the requirements for inpatient coverage following treatment of breast cancer to physicians participating in the carrier's provider network and requires attending physicians to provide a similar notice to patients when consulting with patients about breast cancer treatment.

The requirements of Public Law 2015, chapter 227 apply to all individual and group health insurance policies and contracts issued or renewed on or after January 1, 2016.

### **LD 382      An Act To Eliminate Certain Fees for Security Freezes and Allow Security Freezes for Minors**

**PUBLIC 139**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WHITTEMORE BECK	OTP-AM	S-38 S-83    WHITTEMORE

This bill reduces by \$4 the maximum fees that may be charged by a consumer reporting agency for placing, suspending or removing a security freeze on a consumer report.

### **Committee Amendment "A" (S-38)**

This amendment replaces the bill and changes the title. Beginning October 1, 2015, the amendment eliminates the fees that may be charged by a consumer reporting agency when a consumer requests a security freeze and permits the parent or guardian of a minor under 16 years of age to place a security freeze on the consumer report of that minor.

### **Senate Amendment "A" To Committee Amendment "A" (S-83)**

This amendment amends Committee Amendment "A." It replaces the language on security freezes involving minors under 16 years of age in Committee Amendment "A" with language that is consistent with the laws of other states that permit security freezes for minors under 16 years of age. The amendment permits a consumer reporting agency to charge a fee of up to \$10 for each placement of or removal of a security freeze for a minor under 16 years of age. Committee Amendment "A" eliminates fees related to security freezes for a consumer who is not a minor under 16 years of age.

### **Enacted Law Summary**

Beginning October 1, 2015, Public Law 2015, chapter 139 eliminates the fees that may be charged by a consumer reporting agency when a consumer who is not a minor under 16 years of age requests a security freeze. The law also permits the parent or guardian of a minor under 16 years of age to place a security freeze on the consumer report of that minor and allows a consumer reporting agency to charge a fee of up to \$10 for each placement of or removal of a security freeze for that minor.

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

**LD 384      Resolve, To Study the Design and Implementation of Options for a      Veto Sustained**  
**Universal Health Care Plan in the State That Is in Compliance with the**  
**Federal Patient Protection and Affordable Care Act**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GRATWICK TUCKER	OTP-AM ONTP	S-89

This resolve expresses the Legislature's intent that all Maine residents have access to and coverage for affordable, quality health care. The resolve requires the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters to solicit the services of one or more consultants to propose design options for creating a universal system of health care in the State. The resolve requires the consultant or consultants to submit a report by December 2, 2016 containing at least three design options that comply with the federal Patient Protection and Affordable Care Act.

The resolve includes a provision requiring the State Controller to transfer \$100,000 from the state innovation model grant received by the Department of Health and Human Services pursuant to the federal Patient Protection and Affordable Care Act on or before June 30, 2016 to fund the study required by the resolve. If funds exceeding \$100,000 are received from other public and private sources before December 1, 2016, the resolve requires that the money be transferred back to the Department of Health and Human Services.

**Committee Amendment "A" (S-89)**

This amendment is the majority report of the committee and replaces the resolve. As in the resolve, the amendment expresses the Legislature's intent that all Maine residents have access to and coverage for affordable, quality health care.

The amendment establishes the Independent Advisory Committee with 11 members to solicit and oversee the services of one or more consultants to propose design options for creating a universal system of health care in the State. The amendment requires the consultant or consultants to draft design options by August 1, 2018. Following a public comment period, the amendment requires the advisory committee to submit a final report proposing adoption of one of the design options to the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters by December 5, 2018. The joint standing committee of the Legislature having jurisdiction over insurance and financial services matters may report out a bill based on the advisory committee's report to the First Regular Session of the 129th Legislature. Preliminary progress reports must be filed by the advisory committee by January 1, 2016 and January 1, 2017.

The amendment requires the Independent Advisory Committee to apply for and receive funds from public and private sources to support its activities up to a maximum amount of \$300,000.

The amendment also adds an appropriations and allocations section.

**LD 449      An Act Regarding the Payment of Commissions by Car Rental      ONTP**  
**Companies**

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

This bill allows motor vehicle rental companies to pay commissions to employees selling insurance.

*Joint Standing Committee on Insurance and Financial Services*

**LD 455 An Act To Prohibit Deceptive Practices Regarding Negotiable Instruments**

**Veto Sustained**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
VALENTINO JORGENSEN	OTP-AM	S-17

This bill prohibits financial institutions and creditors from mailing unsolicited loan offers in the form of checks that when cashed by the recipient constitute acceptance of a loan.

**Committee Amendment "A" (S-17)**

This amendment replaces the bill. The amendment enacts a new provision in the Uniform Deceptive Trade Practices Act prohibiting the use of an advertisement or a solicitation designed to resemble a negotiable instrument, including a check, unless the document clearly states on its face that it is not negotiable.

**LD 481 An Act To Amend the Eligibility Requirements for the Rural Medical Access Program**

**ONTP**

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

This bill amends the eligibility requirements for the Rural Medical Access Program to include physicians employed by a for-profit organization.

**LD 521 An Act To Amend the Health Care Practitioner Transparency Requirements**

**PUBLIC 35**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GRATWICK	OTP-AM OTP-AM	S-19

This bill removes from the Maine Health Security Act the requirement that a health care practitioner display a copy of the practitioner's license so the license is visible to patients.

**Committee Amendment "A" (S-19)**

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

1. It retains the provision in the bill removing the requirement that a health care practitioner display a copy of the practitioner's license so the license is visible to patients.
2. It amends the requirement that a health care practitioner wear a name badge to clarify that either the practitioner's first name or first and last name may be disclosed, except for a physician, whose name badge must include the physician's first and last name.
3. It removes the requirement that a health care practitioner's name badge include the practitioner's medical staff position.

**Committee Amendment "B" (S-20)**

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

This amendment is the minority report of the committee. The amendment does the following.

1. It provides that only a health care practitioner that sees patients in a setting outside of a licensed health care facility is subject to the requirement that the health care practitioner display a copy of the practitioner's license so the license is visible to patients. The majority report removes the requirement for all health care practitioners.
2. It amends the requirement that a health care practitioner wear a name badge to clarify that either the practitioner's first name or first and last name may be disclosed, except for a physician, whose name badge must include the physician's first and last name.
3. It removes the requirement that a health care practitioner's name badge include the practitioner's medical staff position.

### **Enacted Law Summary**

Public Law 2015, chapter 35 amends the law requiring health care practitioners to provide identification to the public by removing the requirement that a health care practitioner display a copy of the practitioner's license in an office area visible to current and prospective patients. The law also amends the requirement that a health care practitioner wear an identification badge to eliminate the requirement that the badge include the practitioner's medical staff position and to clarify that either the practitioner's first name or first and last name may be disclosed, except for a physician, whose identification badge must include the physician's first and last name.

### **LD 569      An Act To Reduce Municipal Liability outside Federally Declared Flood Zones      ONTP**

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

This bill prohibits an insurance company from excluding coverage under a homeowner's property insurance policy for flood damages caused by the failure of municipal or government infrastructure whether or not the home is located in a flood zone designated by the Federal Government.

### **LD 572      An Act To Ensure Appropriate Health Insurance Coverage for Prescription Eye Drops      PUBLIC 91**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MORRISON GRATWICK	OTP-AM	H-81

This bill requires all health insurance carriers offering health plans to provide coverage for early refills of prescription eye drop medication in certain circumstances. The bill applies to all policies and contracts issued or renewed on or after January 1, 2016.

### **Committee Amendment "A" (H-81)**

This amendment replaces the bill. Like the bill, the amendment requires all health insurance carriers offering health plans to provide coverage for early refills of prescription eye drop medication under certain circumstances. Unlike the bill, under the amendment the enrollee must request the refill no earlier than the date on which 70 percent of the days of use authorized by the prescribing health care provider have elapsed. Like the bill, the amendment applies to all policies and contracts issued or renewed on or after January 1, 2016.

### **Enacted Law Summary**

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

Public Law 2015, chapter 91 requires all health insurance carriers offering health plans to provide coverage for early refills of prescription eye drop medication under certain circumstances. An enrollee must request the refill from a carrier no earlier than the date on which 70 percent of the days of use authorized by the prescribing health care provider have elapsed.

Public Law 2015, chapter 91 applies to all policies and contracts issued or renewed on or after January 1, 2016.

**LD 621      An Act To Improve Access to Insurance Coverage for Persons for Whom      ONTP**  
**English Is a Second Language**

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

This bill permits insurance companies and producers to provide insurance policies and any explanatory or advertising material in a language other than English. This bill provides that, in the event of a dispute or complaint regarding the policy or explanatory or advertising material, the English language version of the policy or explanatory or advertising material controls the resolution of the dispute or complaint.

**LD 630      An Act To Clarify the Requirements for Notice of the Right To Cure a      PUBLIC 36**  
**Mortgage Default**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WHITTEMORE STETKIS	OTP-AM	S-18

This bill requires that the notice of a consumer's right to cure a mortgage default include a statement that the amount due stated in the notice does not include any amounts that become due after the date of the notice. It also provides an alternative to the date by which a mortgagee must provide information to the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection of three days after the expiration of the right-to-cure period.

**Committee Amendment "A" (S-18)**

This amendment removes the section of the bill that proposes to provide an alternative to the date by which a mortgagee must provide information to the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection of three days after the expiration of the right-to-cure period.

**Enacted Law Summary**

Public Law 2015, chapter 36 requires that the notice of a consumer's right to cure a mortgage default include a statement that the amount due stated in the notice does not include any amounts that become due after the date of the notice.

**LD 636      An Act To Provide Consumers of Health Care with Information      PUBLIC 260**  
**Regarding Health Care Costs**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DILL SANBORN	OTP-AM	S-74

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

This bill requires all health insurance carriers offering individual and group health plans to provide certain information with respect to prescription drug coverage to prospective enrollees and enrollees on its publicly accessible website. The bill requires carriers to post each prescription drug formulary for each health plan in a manner that allows enrollees to determine whether a particular prescription drug is covered under a formulary. The bill also requires carriers to provide information about utilization review, prior authorization or step therapy, cost-sharing, exclusions from coverage and the amount of coverage for out-of-network providers or noncovered health care services.

### **Committee Amendment "A" (S-74)**

The amendment clarifies that a carrier is required to provide the information about prescription drugs required in the bill consistent with the requirements of the federal Patient Protection and Affordable Care Act.

### **Enacted Law Summary**

Public Law 2015, chapter 260 requires all health insurance carriers offering individual and group health plans to provide certain information with respect to prescription drug coverage to prospective enrollees and enrollees on its publicly accessible website consistent with the requirements of the federal Patient Protection and Affordable Care Act.

The law requires carriers to post each prescription drug formulary for each health plan in a manner that allows enrollees to determine whether a particular prescription drug is covered under a formulary. The law also requires carriers to provide information about utilization review, prior authorization or step therapy, cost-sharing, exclusions from coverage and the amount of coverage for out-of-network providers or noncovered health care services.

### **LD 643      An Act To Protect Veterans Returning from Active Duty from Losing Their Homes      ONTP**

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

This bill extends the time period for a right to cure a mortgage default from 35 days to six months for a veteran who served on active duty during the previous 12 months.

### **LD 704      An Act Regarding Notice Provided by Insurance Carriers to Health Care Providers      CARRIED OVER**

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

This bill requires insurance carriers, beginning January 1, 2016, to give health care providers notice that an enrollee covered by an insurance product purchased through the American Health Benefit Exchange is in the three month grace period under 45 Code of Federal Regulations, Section 156.270(d)(2015).

This bill was carried over to any special or regular session of the 127th Legislature by joint order, H.P. 992.

*Joint Standing Committee on Insurance and Financial Services*

**LD 705 An Act Relating to Insurance Licensing**

**PUBLIC 49**

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

This bill proposes several changes to Maine law relating to the licensing of insurance producers, consultants and adjusters. The bill requires that biennial resident insurance consultant fees be due at the same time as the biennial continuing education requirement is due. It adds a provision for insurance adjusters that allows those individuals who live in a state that does not license adjusters to obtain reciprocal licensing based on their qualifications in another state. This bill requires producers to keep both their contact information up to date, including their e-mail address, in the records of the Department of Professional and Financial Regulation, Bureau of Insurance.

**Enacted Law Summary**

Public Law 2015, chapter 49 makes several changes to Maine law relating to the licensing of insurance producers, consultants and adjusters.

1. The law requires that biennial resident insurance consultant fees be due at the same time as the biennial continuing education requirement is due.
2. The law adds a provision for insurance adjusters that allows those individuals who live in a state that does not license adjusters to obtain reciprocal licensing based on their qualifications in another state.
3. The law requires producers to keep both their contact information up to date, including their e-mail address, in the records of the Department of Professional and Financial Regulation, Bureau of Insurance.

**LD 738 An Act To Increase Minimum Motor Vehicle Insurance Coverage**

**ONTP**

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

This bill increases the required minimum motor vehicle insurance coverage to \$100,000 for damage to property and for injury to or death of any one person and to \$300,000 for an accident resulting in injury to or death of more than one person.

**LD 810 An Act To Allow the Synchronization of Prescriptions**

**PUBLIC 93**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CUSHING CHACE	OTP-AM	S-57

This bill requires health insurance carriers that provide prescription drug coverage as part of a health plan to allow prescriptions to be dispensed by a pharmacist for less than a 30-day supply if it is in the best interest of the patient.

**Committee Amendment "A" (S-57)**

This amendment retains the provision of the bill that requires health insurance carriers that provide prescription

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

drug coverage as part of a health plan to allow prescriptions to be dispensed by a pharmacist for less than a 30-day supply if it is in the best interest of the patient, but excludes prescriptions for solid oral doses of antibiotics and solid oral doses dispensed in their original container.

The amendment makes the change apply to all policies and contracts issued or renewed on or after January 1, 2016.

### **Enacted Law Summary**

Public Law 2015, chapter 93 requires that, if a health plan provides coverage for prescription drugs, a carrier must allow prescriptions to be dispensed by a pharmacist for less than a 30-day supply if it is in the best interest of the patient. The law excludes prescriptions for solid oral doses of antibiotics and solid oral doses dispensed in their original container from the requirement.

The law makes the change apply to all policies and contracts issued or renewed on or after January 1, 2016.

### **LD 813      An Act To Ensure That Hospitals Comply with the Laws Governing      ONTP Transparency of Medical Billing**

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

This bill establishes penalties for hospitals, ambulatory surgical centers and other health care entities that fail to comply with the laws related to disclosure of charges for health care services.

### **LD 815      An Act To Establish a Unified-payor, Universal Health Care System      Accepted Majority (ONTP) Report**

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

Part A of the bill establishes the Maine Health Benefit Marketplace as the State's health benefit exchange as authorized by the federal Patient Protection and Affordable Care Act to facilitate the purchase of health care coverage by individuals and small businesses. The Maine Health Benefit Marketplace is established within the Department of Professional and Financial Regulation. The bill requires coverage to be available through the state-based marketplace no later than January 1, 2017 and requires the Executive Director of the Maine Health Benefit Marketplace to submit a declaration of intent to establish a state-based exchange under federal law to the federal Department of Health and Human Services no later than November 18, 2015. The bill also requires the executive director to submit applications for any available federal grant funding to support planning and implementation of the exchange as soon as practicable.

Part B of the bill establishes the Maine Health Care Plan to provide security through high-quality, affordable health care for the people of the State. The plan will become effective and binding on the State upon the approval of a waiver from the United States Department of Health and Human Services. All residents and nonresidents who maintain significant contact with the State are eligible for covered health care services through the Maine Health Care Plan. The Maine Health Care Plan must conform to the minimum essential benefits required under federal law, but may require additional benefits within existing resources. Health care services under the Maine Health Care Plan are provided by participating providers in organized delivery systems and through the open plan, which is available to all providers. It establishes the Maine Health Care

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

Agency to administer and oversee the Maine Health Care Plan, to act under the direction of the Maine Health Care Council and to administer and oversee the Maine Health Care Trust Fund. The Maine Health Care Council is the decision-making and directing council for the agency and is composed of five full-time appointees.

Part B also directs the Maine Health Care Agency to establish programs to ensure quality, affordability, efficiency of care and health care planning. The agency health care planning program includes the establishment of global budgets for health care expenditures for the State and for institutions and hospitals. The health care planning program also encompasses the certificate of need responsibilities of the agency pursuant to the Maine Revised Statutes, Title 22, chapter 103-A. Part B contains a directive to the State Controller to advance \$600,000 to the Maine Health Care Trust Fund. This amount must be repaid by the Maine Health Care Agency by June 30, 2020.

Part C of the bill establishes the Maine Health Care Plan Transition Advisory Committee. Composed of 20 members, appointed by the Governor, President of the Senate and Speaker of the House of Representatives and subject to confirmation by the Legislature, the committee is charged with holding public hearings, soliciting public comments and advising the Maine Health Care Council on the transition from the current health care system to the Maine Health Care Plan. Members of the committee serve without compensation but may be reimbursed for their expenses. The committee is directed to report to the Governor and to the Legislature every six months beginning July 1, 2019. The committee completes its work when the Maine Health Care Plan becomes effective.

Part D of the bill establishes the salaries of the members of the Maine Health Care Council and the executive director of the Maine Health Care Agency.

Part E of the bill prohibits the sale on the commercial market of health insurance policies and contracts that duplicate the coverage provided by the Maine Health Care Plan. It allows the sale of health care policies and contracts that do not duplicate and are supplemental to the coverage of the Maine Health Care Plan.

Part F of the bill directs the Maine Health Care Agency to submit two financing plans to the Legislature by January 15, 2018. Part F also directs the Maine Health Care Agency to ensure employment retraining for administrative workers employed by insurers and providers who are displaced by the transition to the Maine Health Care Plan. It directs the Maine Health Care Agency to study the delivery and financing of long-term care services to plan members. Consultation is required with the Maine Health Care Plan Transition Advisory Committee, representatives of consumers and potential consumers of long-term care services and representatives of providers of long-term care services, employers, employees and the public. A report by the agency to the Legislature is due January 1, 2020.

Part G clarifies that throughout the Maine Revised Statutes, the words "payer" and "payor" have the same meaning.

### **Committee Amendment "A" (S-69)**

This amendment is the minority report of the committee. The amendment adds language to require that the Maine Health Care Plan established in the bill reflect human rights principles in its development.

*Joint Standing Committee on Insurance and Financial Services*

**LD 863      An Act To Update Professional Liability Insurance Reporting to the  
Bureau of Insurance**

**ONTP**

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

This bill makes changes to the laws governing liability claims reports under the Maine Health Security Act. The bill continues the requirement that reports of disposition of claims against a health care provider must be forwarded by the Bureau of Insurance to the department or board that regulates the health care provider, but removes the requirement that reports of claims against a health care provider must be forwarded to the department or board that regulates the health care provider.

**LD 865      An Act To Protect Vision Care Patients and Providers**

**PUBLIC 171**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WHITTEMORE FREDETTE	OTP-AM	S-114

This bill establishes standards relating to agreements between an insurer and a vision care provider related to insurance coverage for vision care.

**Committee Amendment "A" (S-114)**

This amendment replaces the bill. The amendment prohibits a carrier, as defined in the Maine Revised Statutes, Title 24-A, section 4301-A, subsection 3, or a subsidiary or subcontractor of a carrier from engaging in the following practices with regard to agreements with eye care providers:

1. Requiring that the eye care provider provide services or materials to an enrollee in a health plan that provides coverage for vision care or eye care services or a limited benefit vision insurance plan at a specified or limited fee unless the services or materials are a covered service or a covered material under the health plan or limited benefit vision insurance plan;
2. Restricting or limiting the eye care provider's choice of sources and suppliers of services or materials provided by the eye care provider to an enrollee or the optical laboratories used by the eye care provider;
3. Changing any term, contractual discount or reimbursement rate without notice to the eye care provider at least 60 days before the change is implemented;
4. Requiring that the eye care provider participate in other vision insurance as a condition of joining an insurer's provider network for a health plan that provides coverage for vision care or eye care services or a limited benefit vision insurance plan; or
5. Entering into any agreement that is longer than two years.

The amendment stipulates that the provisions apply to contracts between an eye care provider and a carrier or a subsidiary or subcontractor of a carrier executed or renewed on or after January 1, 2016.

**Enacted Law Summary**

Public Law 2015, chapter 171 prohibits a carrier, as defined in the Maine Revised Statutes, Title 24-A, section

*Joint Standing Committee on Insurance and Financial Services*

4301-A, subsection 3, or a subsidiary or subcontractor of a carrier from engaging in the following practices with regard to agreements with eye care providers:

1. Requiring that the eye care provider provide services or materials to an enrollee in a health plan that provides coverage for vision care or eye care services or a limited benefit vision insurance plan at a specified or limited fee unless the services or materials are a covered service or a covered material under the health plan or limited benefit vision insurance plan;
2. Restricting or limiting the eye care provider's choice of sources and suppliers of services or materials provided by the eye care provider to an enrollee or the optical laboratories used by the eye care provider;
3. Changing any term, contractual discount or reimbursement rate without notice to the eye care provider at least 60 days before the change is implemented;
4. Requiring that the eye care provider participate in other vision insurance as a condition of joining an insurer's provider network for a health plan that provides coverage for vision care or eye care services or a limited benefit vision insurance plan; or
5. Entering into any agreement that is longer than two years.

Public Law 2015, chapter 171 stipulates that the provisions apply to contracts between an eye care provider and a carrier or a subsidiary or subcontractor of a carrier executed or renewed on or after January 1, 2016.

**LD 889      An Act To Protect Maine's Small Businesses from High Interest Rates on Commercial and Business Loans      CARRIED OVER**

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

This bill caps the interest rate for commercial or business loans at 25 percent per year. The bill provides that violations are subject to criminal penalties of up to \$5,000 or imprisonment for not more than one year or both. The bill also allows a court to void a loan issued in violation of the interest rate caps upon the petition of the person to whom the loan was issued.

This bill was carried over to any special or regular session of the 127th Legislature by joint order, H.P. 992.

**LD 919      An Act To Provide Access to Opioid Analgesics with Abuse-deterrent Properties      PUBLIC 371**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HOBBS	OTP-AM	H-159

This bill requires all health insurance carriers offering individual and group health plans to provide coverage for abuse-deterrent opioid analgesic drug products as preferred drugs on any formulary, preferred drug list or other list of drugs used by the carrier. The bill applies to all policies and contracts issued or renewed on or after January 1, 2016.

**Committee Amendment "A" (H-159)**

This amendment requires all health insurance carriers offering individual and group health plans to provide

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

coverage for abuse-deterrent opioid analgesic drug products on a basis not less favorable than that for other opioid analgesic drug products, instead of other prescription drugs as specified in the bill, on any formulary, preferred drug list or other list of drugs used by the carrier. The amendment removes the prior authorization requirements specified in the bill.

**Enacted Law Summary**

Public Law 2015, chapter 371 requires health insurance carriers offering individual and group health plans to provide coverage for abuse-deterrent opioid analgesic drug products on a basis not less favorable than that for other opioid analgesic drug products on any formulary, preferred drug list or other list of drugs used by the carrier.

Public Law 2015, chapter 371 applies to all policies and contracts issued or renewed on or after January 1, 2016.

**LD 943      An Act To Provide Access to Infertility Treatment      ONTP**

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

This bill requires that health insurance policies include coverage for the treatment of infertility if:

1. The covered individual is married;
2. The covered individual's infertility is not the result of a sexually transmitted disease; and
3. The number of embryos implanted does not exceed the number set forth in rules adopted by the Department of Professional and Financial Regulation, Bureau of Insurance.

Under this bill, a policy that provides such coverage may require a 50 percent or lower copayment by the insured.

This bill applies to all policies in effect on or after January 1, 2016.

**LD 944      An Act Regarding Recovery of Emergency Response Costs Related to an OUI Offense      CARRIED OVER**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THIBODEAU WALLACE	REF TO IFS/ONTP ONTP	

This bill makes a person who, while criminally operating a motor vehicle while intoxicated, proximately causes an incident requiring an emergency response liable for the costs of that response up to an amount of \$2,500.

This bill was re-referred from the Joint Standing Committee on Criminal Justice and Public Safety and was carried over to any special or regular session of the 127th Legislature by joint order, H.P. 992.

*Joint Standing Committee on Insurance and Financial Services*

**LD 954 An Act To Amend the Maine Property Insurance Cancellation Control Laws**

**PUBLIC 69**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WALLACE BAKER	OTP ONTP	

This bill amends the Maine Insurance Code to provide that an insurer may cancel a property insurance policy for violation of terms or conditions of the policy.

**Enacted Law Summary**

Public Law 2015, chapter 69 amends the Maine Insurance Code to provide that an insurer may cancel a property insurance policy for violation of terms or conditions of the policy.

**LD 958 An Act To Amend the Laws Relating to Group Trusts Established by Self-insurers of Workers' Compensation Benefits**

**PUBLIC 59**

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

This bill modifies the acceptable investments and diversification requirements for workers' compensation self-insurance trusts, providing for the portfolio to contain up to 40 percent in bonds issued or generated by United States government agencies, while decreasing the permissible percentage of corporate or municipal bonds.

**Enacted Law Summary**

Public Law 2015, chapter 59 modifies the acceptable investments and diversification requirements for workers' compensation self-insurance trusts, providing for the portfolio to contain up to 40 percent in bonds issued or generated by United States government agencies, while decreasing the permissible percentage of corporate or municipal bonds.

**LD 975 An Act Regarding Travel Insurance in the Maine Insurance Code**

**PUBLIC 133**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BECK BAKER	OTP-AM ONTP	H-119

This bill establishes a limited lines travel insurance license under the Maine Insurance Code. The bill regulates the practice of providing travel insurance to consumers in the State and sets out the requirements for allowing a travel retailer to offer and disseminate travel insurance.

**Committee Amendment "A" (H-119)**

This amendment replaces the bill. The amendment establishes a supervising travel insurance producer license under the Maine Insurance Code. Like the bill, the amendment regulates the practice of providing travel insurance to consumers in the State and sets out the requirements for allowing a travel retailer to offer and disseminate travel insurance.

**Enacted Law Summary**

## Joint Standing Committee on Insurance and Financial Services

Public Law 2015, chapter 133 establishes a supervising travel insurance producer license under the Maine Insurance Code. The law regulates the practice of providing travel insurance to consumers in the State and sets out the requirements for allowing a travel retailer to offer and disseminate travel insurance.

### LD 978 An Act To Promote Patient Choice and Access to Health Care

PUBLIC 111

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DOORE	OTP-AM	H-118

This bill prohibits a health insurance carrier from refusing to reimburse a provider for providing a health care service or procedure covered under a health plan as long as the provider is acting within the lawful scope of that provider's license, registration or certification in the delivery of the covered service or procedure. The bill also prohibits a carrier from creating or using a provider-specific billing code or policy not listed in a nationally recognized coding system or from discriminating in its benefit design to circumvent the requirement.

#### Committee Amendment "A" (H-118)

This amendment replaces the bill. The amendment prohibits health insurance carriers offering individual and group health plans from refusing to reimburse for services provided by a chiropractor acting within the scope of the chiropractor's license if the services are covered by the carrier and the chiropractor participates in the carrier's provider network. The amendment applies to all policies and contracts issued or renewed on or after January 1, 2016.

#### Enacted Law Summary

Public Law 2015, chapter 111 prohibits health insurance carriers offering individual and group health plans from refusing to reimburse for services provided by a chiropractor acting within the scope of the chiropractor's license if the services are covered by the carrier and the chiropractor participates in the carrier's provider network.

The law applies to all policies and contracts issued or renewed on or after January 1, 2016.

### LD 1092 An Act To Prevent Abusive Debt Collection Practices

PUBLIC 272

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
COOPER LIBBY	OTP-AM	H-378

This bill amends the Maine Fair Debt Collection Practices Act to provide protection to debtors with regard to collection actions by debt buyers. The bill provides that a debt may not be collected if a debt buyer violates the Act. A debt buyer may not collect on a debt without providing specified information that includes the name of the original creditor and all intervening creditors, as well as the sources of added fees and interest. The information must be included in the complaint to initiate the cause of action to collect the debt.

The bill establishes a three year statute of limitations that replaces all other limitations unless the existing limitations is a shorter period.

#### Committee Amendment "A" (H-378)

This amendment replaces the bill. This amendment requires any payment agreement entered into with a debt collector to be documented in open court, approved by the court and included in a court order or otherwise reduced to writing. The amendment prohibits a debt collector from suing on a debt if the statute of limitations period has

*Joint Standing Committee on Insurance and Financial Services*

expired and provides that a consumer's payment or other activity on a debt that is made after the expiration of the statute of limitations period does not reset the statute of limitations period.

**Enacted Law Summary**

Public Law 2015, chapter 272 requires any payment agreement entered into with a debt collector to be documented in open court, approved by the court and included in a court order or otherwise reduced to writing. The law also prohibits a debt collector from suing on a debt if the statute of limitations period has expired and provides that a consumer's payment or other activity on a debt that is made after the expiration of the statute of limitations period does not reset the statute of limitations period.

**LD 1150      An Act Regarding Maximum Allowable Cost Pricing Lists Used by Pharmacy Benefit Managers      CARRIED OVER**

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

This bill establishes requirements for maximum allowable cost pricing lists used by pharmacy benefits managers and requires pharmacy benefits managers to make disclosures regarding that pricing and the methods used to establish that pricing to plan sponsors. It establishes an appeal process for pharmacies for disputes relating to maximum allowable cost pricing. The bill also provides for financial penalties for violations.

**Committee Amendment "A" (H-183)**

This amendment is the majority report of the committee. The amendment provides that a pharmacy benefits manager may set a maximum allowable cost for a prescription drug only if that drug is nationally available and has two or more nationally available therapeutically equivalent drug substitutes with a significant cost difference rather than three or more as provided in the bill. The amendment also replaces the provision in the bill authorizing the Superintendent of Insurance to enforce violations with a provision granting a pharmacy the right to request mediation by a private mediator to resolve disagreements related to maximum allowable cost pricing.

The amendment specifies that the provisions apply to contracts between a pharmacy and a pharmacy benefits manager executed or renewed on or after January 1, 2016.

This bill was reported out of committee, then committed back to the Joint Standing Committee on Insurance and Financial Services and was carried over to any special or regular session of the 127th Legislature by joint order, H.P. 992.

**LD 1242      An Act To Protect Maine Consumers from Medical Identity Theft      Accepted Majority (ONTP) Report**

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

This bill directs an insurance carrier that provides insurance in the State to take certain measures to protect the data and identity of a person insured by the carrier on or after January 1, 2004, including encrypting all medical and personal data of the insured, providing medical identify theft protection and a guarantee of recompense for 10 years following the breach, aligning all policies with a national medical fraud alliance approved by the Department of Professional and Financial Regulation, Bureau of Insurance and requiring all carriers to develop and implement a policy approved by the bureau that ensures strict adherence to the compliance rules under the federal Health

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

Insurance Portability and Accountability Act of 1996.

**Committee Amendment "A" (S-88)**

This amendment is the minority report of the committee and replaces the bill with a resolve. This amendment directs the Department of Professional and Financial Regulation, Bureau of Insurance to monitor the development of cybersecurity standards for insurance companies by the National Association of Insurance Commissioners and consult with the Joint Standing Committee on Insurance and Financial Services about the legislative and regulatory activities in other states related to cybersecurity for insurance companies to protect against security breaches involving personal information and health care information collected by or in the possession of insurance companies. The amendment also authorizes the committee to report out a bill to the Second Regular Session of the 127th Legislature.

**LD 1264     An Act To Transfer Oversight of the Maine Quality Forum to the Maine Health Data Organization     ONTP**

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

This bill transfers responsibility for the Maine Quality Forum from Dirigo Health to the Maine Health Data Organization effective July 1, 2015. The bill also transfers two positions authorized for staffing the Maine Quality Forum to the Maine Health Data Organization.

This bill is proposed by the Joint Standing Committee on Insurance and Financial Services pursuant to Joint Order 2015, H.P. 585. The Joint Standing Committee on Insurance and Financial Services has not taken a position on the substance of the bill, and by reporting out this bill the committee is not suggesting and does not intend to suggest that it agrees or disagrees with any aspect of this bill. The Joint Standing Committee on Insurance and Financial Services is reporting the bill out for the sole purpose of turning the proposal into a printed bill that can be referred to the Joint Standing Committee on Insurance and Financial Services for an appropriate public hearing and subsequent processing in the normal course. The Joint Standing Committee on Insurance and Financial Services is taking this action to ensure clarity and transparency in the legislative review of this proposal.

**LD 1265     An Act To Implement the Recommendations of the Maine Health Exchange Advisory Committee     ONTP**

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

This bill proposes to implement the recommendations of the Maine Health Exchange Advisory Committee pursuant to Joint Order 2013, House Paper 1136. The bill establishes the Maine Health Exchange Advisory Committee on a permanent basis.

The Joint Standing Committee on Insurance and Financial Services has not taken a position on the substance of the recommendations or the bill, and by reporting out this bill the committee is not suggesting and does not intend to suggest that it agrees or disagrees with any aspect of the advisory committee's recommendations or this bill. The Joint Standing Committee on Insurance and Financial Services is reporting out the bill for the sole purpose of turning the advisory committee's proposal into a printed bill that can be referred to the Joint Standing Committee on Insurance and Financial Services for an appropriate public hearing and subsequent processing in the normal course. The Joint Standing Committee on Insurance and Financial Services is taking this action to ensure clarity and transparency in the legislative review of the advisory committee's proposal.

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

While LD 1265 was voted "Ought Not to Pass," the Maine Health Exchange Advisory Committee was re-established for the duration of the 127th Legislature by joint order, S.P. 533.

**LD 1304     An Act To Permit Funds for Prearranged Funerals To Be Invested under a Wider Range of Options**

**Accepted Majority  
(ONTP) Report**

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

Current law permits funds held in prearranged funeral and burial plans to be invested in certain listed permissible investment categories. This bill expands those options by permitting these funds to be invested in the same categories of investments that are authorized under the Maine Revised Statutes, Title 39-A, section 403, subsection 9 as permissible investments for trust funds for self-insurers under the laws governing workers' compensation.

**Committee Amendment "A" (S-108)**

This amendment is the minority report of the committee. This amendment replaces the bill and changes it into a resolve. The amendment establishes a task force to study expanding the permissible investments for prearranged funeral funds. The task force comprises 11 members, including six Legislators, representatives of independently owned and corporate-owned funeral homes, financial institutions and credit unions and a financial advisor. The amendment requires the task force to report back to the Legislature before the Second Regular Session of the 127th Legislature. The Joint Standing Committee on Insurance and Financial Services may report out a bill based on the task force's recommendations.

**LD 1305     An Act To Encourage Health Insurance Consumers To Comparison Shop for Health Care Procedures and Treatment**

**CARRIED OVER**

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

This bill requires a health care entity to provide an estimate of the allowed amount if the entity is within a patient's carrier network or the amount that will be charged if the entity does not participate in a patient's carrier network for a proposed admission, procedure or service within two business days of a patient's request and to assist a patient in using a carrier's toll-free telephone number and publicly accessible website to obtain information about the out-of-pocket costs for which a patient will be responsible.

The bill requires health insurance carriers to establish a toll-free telephone number and publicly accessible website to provide information to enrollees about health care costs. A carrier is required to provide information on the average price paid in the past 12 months to a network health care provider for a proposed admission, procedure or service in each geographic rating area established by the carrier and to provide a binding estimate for the maximum allowed amount or charge for a proposed admission, procedure or service and the estimated amount the enrollee will be responsible to pay for a proposed admission, procedure or service that is a medically necessary covered benefit.

The bill also requires a carrier to pay an enrollee 50 percent of the saved cost to a maximum of \$7,500 if an enrollee elects to receive health care services from a provider that cost less than the average cost for a particular admission, procedure or service unless the savings is \$50 or less. If an enrollee elects to receive health care services from an out-of-network provider that cost less than the average amount for a particular admission, procedure or service, a carrier shall apply the enrollee's share of the cost toward the enrollee's member cost sharing as if the health care services were provided by a network provider.

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

The bill authorizes a health care entity, a carrier or another person designated by a health care entity, carrier, patient or prospective patient to have access at no cost to the all-payor and all-settings health care database for claims for the purposes of providing the information required.

The bill also requires carriers to provide certain information to the Department of Professional and Financial Regulation, Bureau of Insurance on an annual basis relating to the payments made to enrollees and the saved costs if an enrollee elects to receive health care services from a provider that cost less than the average cost for a particular admission, procedure or service.

This bill was carried over to any special or regular session of the 127th Legislature by joint order, H.P. 992.

**LD 1318    An Act To Promote Individual Private Savings Accounts through a  
Public-private Partnership**

**CARRIED OVER**

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

This bill establishes the Maine Small Business Marketplace. The bill requires employers of more than 10 employees that have not offered their employees a qualified retirement plan in the preceding two years to offer a payroll deposit retirement savings arrangement to their employees to allow contributions to an individual retirement account. The bill also allows small employers with fewer than 10 employees to voluntarily participate in the marketplace. The bill requires the Treasurer of State to administer and oversee the marketplace.

This bill was carried over to any special or regular session of the 127th Legislature by joint order, H.P. 992.

**LD 1344    An Act To Protect Maine Consumers in the Individual Health Insurance  
Market and Support Maine's Economy**

**INDEF PP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SANBORN GRATWICK	OTP-AM	H-291

This bill establishes the State's health benefit exchange as authorized by the federal Patient Protection and Affordable Care Act. The bill specifies that the exchange's technical functions specified in the federal Patient Protection and Affordable Care Act, including, but not limited to, operation of the publicly accessible website, telephone hotline, cost calculator and exemption certification process, are to be operated by the Federal Government. The bill authorizes state agencies and departments to interact and cooperate with the Federal Government with respect to the operation of the federally facilitated exchange for the State and to perform any exchange functions necessary to ensure that State residents have continued eligibility for premium tax credits and cost-sharing reductions.

The bill also clarifies that the Superintendent of Insurance retains authority to regulate the business of insurance within the State and that all health insurance carriers offering qualified health plans through the federally facilitated exchange must comply with all applicable health insurance laws of this State and rules adopted and orders issued by the superintendent.

The provisions of this bill take effect only if the Federal Government notifies the State that premium tax credits will become unavailable to people purchasing health insurance through the federally facilitated marketplace.

**Committee Amendment "A" (H-291)**

# *Joint Standing Committee on Insurance and Financial Services*

## **SUBJECT INDEX**

### **Banking and Credit Unions**

#### **Not Enacted**

LD 24	An Act To Create a Public State Bank	Majority (ONTP) Report
LD 889	An Act To Protect Maine's Small Businesses from High Interest Rates on Commercial and Business Loans	CARRIED OVER

### **Consumer Credit**

#### **Enacted**

LD 382	An Act To Eliminate Certain Fees for Security Freezes and Allow Security Freezes for Minors	PUBLIC 139
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### **Dirigo Health**

#### **Not Enacted**

LD 1264	An Act To Transfer Oversight of the Maine Quality Forum to the Maine Health Data Organization	ONTP
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### **Insurance, Health**

#### **Enacted**

LD 124	An Act To Require Payment by a Carrier for Health Care Services Provided to Enrollees of the Carrier	PUBLIC 84
LD 359	An Act To Assist Persons with Breast Cancer	PUBLIC 227
LD 572	An Act To Ensure Appropriate Health Insurance Coverage for Prescription Eye Drops	PUBLIC 91
LD 636	An Act To Provide Consumers of Health Care with Information Regarding Health Care Costs	PUBLIC 260
LD 810	An Act To Allow the Synchronization of Prescriptions	PUBLIC 93
LD 865	An Act To Protect Vision Care Patients and Providers	PUBLIC 171
LD 919	An Act To Provide Access to Opioid Analgesics with Abuse-deterrent Properties	PUBLIC 371
LD 978	An Act To Promote Patient Choice and Access to Health Care	PUBLIC 111

#### **Not Enacted**

LD 135	An Act To Reduce Tobacco Use Surcharges in Small Group and Individual Health Insurance Products	Veto Sustained
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LD 243	An Act To Restore Consumer Rate Review for Health Insurance Plans in the Individual Market	Died Between Houses
LD 251	An Act To Limit Allowable Health Care Charges in Certain Specified Situations	Minority (ONTP) Report
LD 289	An Act To Amend the Health Plan Improvement Law Regarding Prescription Drug Step Therapy	Veto Sustained
LD 347	An Act Concerning Billing between Emergency Medical Services Providers and Insurance Companies	Majority (ONTP) Report
LD 384	Resolve, To Study the Design and Implementation of Options for a Universal Health Care Plan in the State That Is in Compliance with the Federal Patient Protection and Affordable Care Act	Veto Sustained
LD 704	An Act Regarding Notice Provided by Insurance Carriers to Health Care Providers	CARRIED OVER
LD 815	An Act To Establish a Unified-payor, Universal Health Care System	Majority (ONTP) Report
LD 943	An Act To Provide Access to Infertility Treatment	ONTP
LD 1150	An Act Regarding Maximum Allowable Cost Pricing Lists Used by Pharmacy Benefit Managers	CARRIED OVER
LD 1242	An Act To Protect Maine Consumers from Medical Identity Theft	Majority (ONTP) Report
LD 1265	An Act To Implement the Recommendations of the Maine Health Exchange Advisory Committee	ONTP
LD 1305	An Act To Encourage Health Insurance Consumers To Comparison Shop for Health Care Procedures and Treatment	CARRIED OVER
LD 1344	An Act To Protect Maine Consumers in the Individual Health Insurance Market and Support Maine's Economy	INDEF PP

### **Insurance, Motor Vehicle**

#### **Not Enacted**

LD 738	An Act To Increase Minimum Motor Vehicle Insurance Coverage	ONTP
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### **Insurance, Regulation and Practices**

#### **Enacted**

LD 220	An Act To Require Proper Notification of Life Insurance Cancellation	PUBLIC 61 EMERGENCY
LD 329	An Act To Allow Equipment Rental Companies To Sell Insurance	PUBLIC 77
LD 705	An Act Relating to Insurance Licensing	PUBLIC 49
LD 954	An Act To Amend the Maine Property Insurance Cancellation Control Laws	PUBLIC 69
LD 975	An Act Regarding Travel Insurance in the Maine Insurance Code	PUBLIC 133

LD 1379	An Act To Establish Transportation Network Company Insurance	PUBLIC 279 EMERGENCY
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**Not Enacted**

LD 449	An Act Regarding the Payment of Commissions by Car Rental Companies	ONTP
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LD 481	An Act To Amend the Eligibility Requirements for the Rural Medical Access Program	ONTP
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LD 569	An Act To Reduce Municipal Liability outside Federally Declared Flood Zones	ONTP
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LD 621	An Act To Improve Access to Insurance Coverage for Persons for Whom English Is a Second Language	ONTP
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LD 863	An Act To Update Professional Liability Insurance Reporting to the Bureau of Insurance	ONTP
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LD 944	An Act Regarding Recovery of Emergency Response Costs Related to an OUI Offense	CARRIED OVER
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**Insurance, Workers' Compensation**

**Enacted**

LD 958	An Act To Amend the Laws Relating to Group Trusts Established by Self-insurers of Workers' Compensation Benefits	PUBLIC 59
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**Miscellaneous**

**Enacted**

LD 337	An Act To Require Lienholders To Remove Liens Once Satisfied	PUBLIC 210
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LD 521	An Act To Amend the Health Care Practitioner Transparency Requirements	PUBLIC 35
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LD 1092	An Act To Prevent Abusive Debt Collection Practices	PUBLIC 272
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**Not Enacted**

LD 144	Resolve, To Study State and Federal Laws Regarding Online Privacy and Data Security To Develop Ways To Further Protect Consumers from Identity Theft and Fraud	Died On Adjournment
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LD 455	An Act To Prohibit Deceptive Practices Regarding Negotiable Instruments	Veto Sustained
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LD 813	An Act To Ensure That Hospitals Comply with the Laws Governing Transparency of Medical Billing	ONTP
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LD 1304	An Act To Permit Funds for Prearranged Funerals To Be Invested under a Wider Range of Options	Majority (ONTP) Report
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LD 1318	An Act To Promote Individual Private Savings Accounts through a Public-private Partnership	CARRIED OVER
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**Mortgage Lending**

**Enacted**

LD 630	An Act To Clarify the Requirements for Notice of the Right To Cure a Mortgage Default	PUBLIC 36
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**Not Enacted**

LD 336	Resolve, Directing the Finance Authority of Maine To Convene a Stakeholder Group To Develop Solutions To Reduce the Negative Effect of Student Loan Debt on Home Ownership	Died Between Houses
LD 643	An Act To Protect Veterans Returning from Active Duty from Losing Their Homes	ONTP