

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill by inserting after the title the following:

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Department of Professional and Financial Regulation, Bureau of Insurance has received complaints from consumers about misleading sales practices used by certain insurance producers; and

Whereas, many of these complaints have been associated with the sale of Medicare Part D products and other Medicare products marketed to the elderly; and

Whereas, elderly consumers may be especially vulnerable to potentially misleading sales practices related to appointments made to discuss Medicare benefits; and

Whereas, this legislation prohibits unfair and misleading methods used to solicit the sale of life, health and annuity products, including Medicare products; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

Sec. 1. 24-A MRSA §2152-B is enacted to read:

§ 2152-B. Unfair solicitation methods

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Cold lead advertising" means making use directly or indirectly of a method of marketing that fails to disclose in a conspicuous manner that a purpose of the marketing is insurance sales solicitation and that contact will be made by an insurance producer or insurance company.

B. "Medicare products" includes Medicare Part A, Medicare Part B, Medicare Part C, Medicare Part D, Medicare Advantage and Medicare supplement plans.

2. Unfair solicitation methods. It is an unfair trade practice under this chapter for an insurer or producer to:

A. Sell, solicit or negotiate the purchase of health insurance in this State through the use of cold lead advertising;

B. Use an appointment that was made to discuss Medicare products or to solicit the sale of Medicare products in order to solicit sales of life insurance, health insurance or annuity products unless the consumer requests such solicitation and the products to be discussed are clearly identified to the consumer in writing at least 48 hours in advance of the appointment; and

C. Solicit the sale of Medicare products door-to-door prior to receiving an invitation from a consumer.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect June 1, 2007.'

SUMMARY

This amendment replaces the bill. The amendment retains the prohibition on cold lead advertising contained in the bill. It clarifies that insurers and producers may not use an appointment to discuss Medicare products to solicit sales of life insurance, health insurance or annuity products unless requested by a consumer and the products to be discussed are clearly identified to a consumer in writing at least 48 hours in advance of the appointment. The amendment also prohibits door-to-door solicitation of Medicare products prior to receiving an invitation from a consumer.

The amendment also adds an emergency preamble and emergency clause. The amendment adds an effective date of June 1, 2007.

FISCAL NOTE REQUIRED
(See attached)