

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 531

S.P. 177

In Senate, January 19, 1999

An Act to Require External Review of Coverage Decisions by Health Plans.

Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator LaFOUNTAIN of York.
Cosponsored by Representative SAXL of Bangor and
Senators: DAGGETT of Kennebec, President LAWRENCE of York, PINGREE of Knox,
RAND of Cumberland, Representatives: HATCH of Skowhegan, MAYO of Bath,
McALEVEY of Waterboro.

2 **Be it enacted by the People of the State of Maine as follows:**

4 **Sec. 1. 24-A MRSA §4303, sub-§5 is enacted to read:**

6 5. Independent external review of coverage decisions. An
8 enrollee who has exhausted all internal grievance and appeals
10 procedures provided by a carrier offering a health plan in this
12 State has the right to an independent external review of a health
14 plan's decision to deny, reduce or terminate health care coverage
16 or to deny payment for health care services. The independent
18 external review is subject to the following requirements.

20 A. The decision being reviewed must be based on one of the
22 following reasons:

24 (1) The health care service is a covered benefit that
26 the carrier has determined is not medically necessary
28 in the case of the enrollee;

30 (2) A limitation placed on the selection of a health
32 care provider is claimed by the enrollee to be
34 inconsistent with limits imposed by the health plan or
36 by applicable laws and rules;

38 (3) The health care treatment has been determined to
40 be experimental or investigational; or

42 (4) The health care service involves a medically based
44 decision that a condition is preexisting.

46 B. The independent external review must be requested in
48 writing by the affected enrollee and a filing fee of not
50 more than \$25, reflecting the administrative costs of
processing a request for review under this subsection, must
be paid by the enrollee to the bureau. The filing fee may
be waived or reduced based on a determination by the
superintendent that the financial circumstances of the
enrollee warrant a waiver or reduction.

C. The enrollee may use outside assistance during the
review process and submit evidence relating to the health
care service.

D. The independent external review must be conducted by an
independent review organization pursuant to a contract with
the bureau. The reviewers must be health care providers
credentialed with respect to the health care service under
review and have no conflict of interest relating to the
performance of their duties under this subsection.

2 E. The independent review organization shall issue to the
3 health plan and to the enrollee a written review decision
4 based on the evidence presented. The decision of the review
5 organization is binding on the health plan and the enrollee.

6 F. The superintendent may develop additional standards and
7 adopt rules to set the fee required in paragraph B and to
8 adopt other rules as necessary to carry out the purposes of
9 this subsection in accordance with section 4309.

12 SUMMARY

14 This bill amends the Health Plan Improvement Act to give a
15 health plan enrollee the right to an independent external review
16 of a plan's coverage decision after all internal grievance and
appeals procedures have been exhausted.