

# MAINE STATE LEGISLATURE

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SMS  
R. 10.1

Date: 3/5/10

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Majority

HEALTH AND HUMAN SERVICES

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE

HOUSE OF REPRESENTATIVES

124TH LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 940, L.D. 1339, Bill, "An Act To Improve Oversight of Pharmaceutical Purchasing"

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

Sec. 1. 22 MRSA §2699, sub-§4, as enacted by PL 2003, c. 456, §1, is amended to read:

4. Enforcement. A violation of this section is a violation of the Maine Unfair Trade Practices Act, for which a fine of not more than \$10,000 may be adjudged. Nothing in this section limits the authority of the Superintendent of Insurance under Title 24-A.

Sec. 2. 22 MRSA §2699, sub-§6 is enacted to read:

6. State contracts. The State Auditor shall work with the Department of Administrative and Financial Services and other state agencies that are covered entities, including, but not limited to, the group health plan established pursuant to Title 5, section 285, that purchase prescription drugs to ensure compliance of a pharmacy benefits manager with the requirements of this section. The State Auditor shall develop appropriate audit procedures that may be used by the State to determine if a pharmacy benefits manager and a pharmacy benefits management contract entered into by the State meet the requirements of this section and other laws applicable to pharmacy benefits. Nothing in this subsection provides the State Auditor with authority over requirements in Title 24-A relating to pharmacy benefits managers.

Sec. 3. 24-A MRSA §601, sub-§28 is enacted to read:

28. Pharmacy benefits manager. Pharmacy benefits manager registration fees may not exceed:

A. Original issuance fee, \$100; and

B. Annual renewal fee, \$100.

Sec. 4. 24-A MRSA §1913 is enacted to read:

COMMITTEE AMENDMENT

1 **§1913. Registration of pharmacy benefits managers**

2 Beginning April 1, 2011, a person may not act as a pharmacy benefits manager as  
3 defined in Title 22, section 2699, subsection 1, paragraph F in this State without first  
4 paying the registration fee required under section 601, subsection 28. The superintendent  
5 may adopt routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A to  
6 administer and enforce the registration requirements of this section. The superintendent  
7 may enforce this section under sections 220 and 223 and other provisions of this Title.

8 **SUMMARY**

9 This amendment is the majority report of the committee. The amendment replaces  
10 the bill. It requires pharmacy benefits managers to register with the Superintendent of  
11 Insurance beginning April 1, 2011, sets the registration fee at \$100 and the annual  
12 renewal fee at \$100 and gives to the superintendent rule-making authority and  
13 enforcement powers. It provides in the prescription drug practices law that the  
14 enforcement powers granted to the Attorney General do not limit the authority of the  
15 Superintendent of Insurance under the Maine Revised Statutes, Title 24-A. It directs the  
16 State Auditor to work with state agencies so that the agencies may ensure that the  
17 pharmacy benefits managers with which they do business comply with the requirements  
18 of existing state law.

**FISCAL NOTE REQUIRED**  
**(See attached)**



# 124th MAINE LEGISLATURE

LD 1339

LR 1516(03)

## An Act To Improve Oversight of Pharmaceutical Purchasing

Fiscal Note for Bill as Amended by Committee Amendment "A"  
Committee: Health and Human Services  
Fiscal Note Required: Yes

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### Fiscal Note

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Minor cost increase - General Fund  
Minor cost increase - Other Special Revenue Funds  
Minor revenue increase - Other Special Revenue Funds

#### Fiscal Detail and Notes

The additional costs to the Bureau of Insurance in the Department of Professional and Financial Regulation are expected to be minor and would be offset with registration fees authorized in the bill. The amount of revenue collected from these fees cannot be determined at this time but are expected to be minor. The additional costs to the Department of Audit and the Department of Administrative and Financial Services can be absorbed utilizing existing budgeted resources.