

# MAINE STATE LEGISLATURE

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# 129th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2019

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Legislative Document

No. 705

S.P. 218

In Senate, February 11, 2019

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### **An Act Regarding the Process for Obtaining Prior Authorization for Health Insurance Purposes**

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Reference to the Committee on Health Coverage, Insurance and Financial Services suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator GRATWICK of Penobscot.  
Cosponsored by Representative HYMANSON of York and  
Senators: CARPENTER of Aroostook, CLAXTON of Androscoggin, MOORE of Washington,  
SANBORN, H. of Cumberland, SANBORN, L. of Cumberland, Representatives:  
JORGENSEN of Portland, MEYER of Eliot, PERRY of Calais.

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

2 **Sec. 1. 24-A MRSA §4304, sub-§2**, as amended by PL 1999, c. 742, §12, is  
3 further amended to read:

4 **2. Prior authorization of nonemergency services.** Requests by a provider for prior  
5 authorization of a nonemergency service must be answered by a carrier within ~~2 business~~  
6 days 48 hours. Both the provider and the enrollee on whose behalf the authorization was  
7 requested must be notified by the carrier of its determination. ~~If the information~~  
8 ~~submitted is insufficient to make a decision, the carrier shall notify the provider within 2~~  
9 ~~business days of the additional information necessary to render a decision. If the carrier~~  
10 ~~determines that outside consultation is necessary, the carrier shall notify the provider and~~  
11 ~~the enrollee for whom the service was requested within 2 business days. The carrier shall~~  
12 ~~make a good faith estimate of when the final determination will be made and contact the~~  
13 ~~enrollee and the provider as soon as practicable. Notification requirements under this~~  
14 ~~subsection are satisfied by written notification postmarked within the time limit specified.~~

15 **Sec. 2. 24-A MRSA §4304, sub-§§2-A and 2-B** are enacted to read:

16 **2-A. Medical services exempt from prior authorization.** A carrier may not  
17 subject medication-assisted treatment for opioid use disorder to prior authorization.

18 **2-B. Electronic transmission of prior authorization requests.** Beginning no later  
19 than January 1, 2020, if a health plan provides coverage for prescription drugs, the carrier  
20 must accept and respond to prior authorization requests in accordance with subsection 2  
21 through a secure electronic transmission using standards adopted by a national council for  
22 prescription drug programs for electronic prescribing transactions. Beginning no later  
23 than July 1, 2020, a carrier must accept and respond to prior authorization requests for  
24 medical services in accordance with subsection 2 through a standard secure electronic  
25 transmission under the federal Health Insurance Portability and Accountability Act of  
26 1996, Public Law 104-191. For the purposes of this subsection, transmission of a  
27 facsimile through a proprietary payer portal or by use of an electronic form is not  
28 considered electronic transmission.

29 **SUMMARY**

30 This bill amends the prior authorization process for health insurance carriers. It  
31 reduces the time frame for a carrier's response to a prior authorization request and it  
32 exempts medication-assisted treatment for opioid use disorder from prior authorization  
33 requirements.

34 The bill also requires a health insurance carrier to develop an electronic transmission  
35 system for prior authorization of prescription drug orders by January 1, 2020 and for  
36 medical services by July 1, 2020.