

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

MAJORITY

Date: 3/16/20

(Filing No. S-434)

HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE

SENATE

129TH LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 670, L.D. 1928, Bill, "An Act To Prohibit Health Insurance Carriers from Retroactively Reducing Payment on Clean Claims Submitted by Pharmacies"

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

Sec. 1. 24-A MRSA §4317, sub-§2, as enacted by PL 2009, c. 519, §1 and affected by §2, is amended to read:

2. Prompt payment of claims. Notwithstanding section 2436, the following provisions apply to the payment of claims submitted to a carrier by a pharmacy provider.

A. For purposes of this subsection, the following terms have the following meanings.

(1) "Applicable number of calendar days" means:

(a) With respect to claims submitted electronically, 21 days; and

(b) With respect to claims submitted otherwise, 30 days.

(2) "Clean claim" means a claim that has no defect or impropriety, including any lack of any required substantiating documentation, or particular circumstance requiring special treatment that prevents timely payment from being made on the claim under this section.

B. A contract entered into by a carrier with a pharmacy provider with respect to a prescription drug plan offered by a carrier must provide that payment is issued, mailed or otherwise transmitted with respect to all clean claims submitted by a pharmacy provider, other than a pharmacy that dispenses drugs by mail order only or a pharmacy located in, or under contract with, a long-term care facility, within the applicable number of calendar days after the date on which the claim is received. For purposes of this subsection, a claim is considered to have been received:

(1) With respect to claims submitted electronically, on the date on which the claim is transferred; and

COMMITTEE AMENDMENT

- 1 (2) With respect to claims submitted otherwise, on the 5th day after the postmark
2 date of the claim or the date specified in the time stamp of the transmission of the
3 claim.
- 4 C. If payment is not issued, mailed or otherwise transmitted by the carrier within the
5 applicable number of calendar days after a clean claim is received, the carrier shall
6 pay interest to the pharmacy provider at the rate of 18% per annum.
- 7 D. A claim is considered to be a clean claim if the carrier involved does not provide
8 notice to the pharmacy provider of any deficiency in the claim within 10 days after
9 the date on which an electronically submitted claim is received or within 15 days
10 after the date on which a claim submitted otherwise is received.
- 11 E. If a carrier determines that a submitted claim is not a clean claim, the carrier shall
12 immediately notify the pharmacy provider of the determination. The notice must
13 specify all defects or improprieties in the claim and list all additional information or
14 documents necessary for the proper processing and payment of the claim. If a
15 pharmacy provider receives notice from a carrier that a claim has been determined to
16 not be a clean claim, the pharmacy provider shall take steps to correct that claim and
17 then resubmit the claim to the carrier for payment.
- 18 F. A claim resubmitted to a carrier with additional information pursuant to paragraph
19 E is considered to be a clean claim if the carrier does not provide notice to the
20 pharmacy provider of any defect or impropriety in the claim within 10 days of the
21 date on which additional information is received if the claim is resubmitted
22 electronically or within 15 days of the date on which additional information is
23 received if the claim is resubmitted otherwise.
- 24 G. A claim submitted to a carrier that is not paid by the carrier or contested by the
25 plan sponsor within the applicable number of calendar days after the date on which
26 the claim is received by the carrier is considered to be a clean claim and must be paid
27 by the carrier.
- 28 H. Payment of a clean claim under this subsection is considered to have been made
29 on the date on which the payment is transferred with respect to claims paid
30 electronically and on the date on which the payment is submitted to the United States
31 Postal Service or common carrier for delivery with respect to claims paid otherwise.
- 32 I. A carrier shall pay all clean claims submitted electronically by electronic transfer
33 of funds if the pharmacy provider so requests or has so requested previously. In the
34 case when the payment is made electronically, remittance may be made by the carrier
35 electronically.
- 36 J. For a contract entered into or renewed on or after January 1, 2021, the contract
37 entered into by a carrier with a pharmacy provider with respect to a prescription drug
38 plan offered by a carrier may not contain a provision that purports to directly or
39 indirectly charge the pharmacy provider or hold the pharmacy provider responsible
40 for any fee related to a clean claim:
- 41 (1) That is not apparent at the time the carrier processes the claim;

1
2
3
4
5
6
7
8
9

(2) That is not reported on the remittance advice of a claim adjudicated by the carrier; or

(3) After the initial claim is adjudicated by the carrier.

For purposes of this subsection, a contract entered into by a carrier with a pharmacy provider with respect to a prescription drug plan offered by a carrier includes any contract with respect to a prescription drug plan offered by the carrier under which a pharmacy provider is legally obligated, either directly or through an intermediary.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

10
11
12
13
14
15
16
17
18
19

This amendment replaces the bill and is the majority report of the committee. The amendment prohibits a contract between a carrier and a pharmacy provider that is entered into or renewed on or after January 1, 2021 from containing a provision that purports to directly or indirectly charge the pharmacy provider or hold the pharmacy provider responsible for any fee related to a claim that is not apparent at the time the carrier processes the claim, that is not reported on the remittance advice or after the initial claim is adjudicated. The amendment also clarifies that the provision applies to any contract with respect to a prescription drug plan offered by the carrier under which a pharmacy provider is legally obligated, either directly or through an intermediary.