# MAINE STATE LEGISLATURE

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Amendment Name: Amendment CA (S-452) (LD 2106 2020)

Date: 7/27/2020

1	L.D. 210
2	Date: (Filing No. S-
3	HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES
4	Reproduced and distributed under the direction of the Secretary of the Senate.
5	STATE OF MAINE
6	SENATE
7	129TH LEGISLATURE
8	SECOND SPECIAL SESSION
9	COMMITTEE AMENDMENT " " to S.P. 752, L.D. 2106, Bill, "An AcRegarding Prior Authorizations for Prescription Drugs"
1 2	Amend the bill by striking out everything after the enacting clause and inserting the following:
3	'Sec. 1. 24-A MRSA §4304, sub-§2, as amended by PL 2019, c. 273, §1, further amended to read:
5 6 7 8	<b>2. Prior authorization of nonemergency services.</b> Except for a request in exiger circumstances as described in section 4311, subsection 1-A, paragraph B, a request by provider for prior authorization of a nonemergency service must be answered by a carrie within 72 hours or 2 business days, whichever is less, in accordance with this subsection.
9	A. Both the provider and the enrollee on whose behalf the authorization warequested must be notified by the carrier of its determination.
21 22 23	B. If the carrier responds to a request by a provider for prior authorization with request for additional information, the carrier shall make a decision within 72 hour or 2 business days, whichever is less, after receiving the requested information.
24 25 26	C. If the carrier responds that outside consultation is necessary before making decision, the carrier shall make a decision within 72 hours or 2 business day whichever is less, from the time of the carrier's initial response.
27 28 29 30 31	D. The prior authorization standards used by a carrier must be clear and readil available to enrollees, participating providers, pharmacists and other providers. Wit regard to prior authorization for prescription drugs, a carrier shall comply with the requirements set forth in subsection 2-B. A provider must make best efforts to provide all information necessary to evaluate a request, and the carrier must make best efforts to limit requests for additional information.
3 34	If a carrier does not grant or deny a request for prior authorization within the time frame required under this subsection, the request for prior authorization by the provider

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granted.

- **Sec. 2. 24-A MRSA §4304, sub-§2-B,** as enacted by PL 2019, c. 273, §2, is amended to read:
- **2-B. Electronic transmission of prior authorization requests.** Beginning no later than January 1, 2020, if a health plan provides coverage for prescription drugs, the carrier must accept and respond to prior authorization requests in accordance with subsection 2 and this subsection through a secure electronic transmission using standards recommended by a national institute for the development of fair standards and adopted by a national council for prescription drug programs for electronic prescribing transactions. For the purposes of this subsection, transmission of a facsimile through a proprietary payer portal or by use of an electronic form is not considered electronic transmission. A carrier's electronic transmission system for prior authorization requests for prescription drugs must comply with the following.
  - A. No later than January 1, 2022, unless a waiver is granted by the superintendent, a carrier or entity under contract to a carrier shall make available to a provider in real time at the point of prescribing one or more electronic benefit tools that are capable of integrating with at least one electronic prescribing system or electronic medical record system to provide complete, accurate, timely, clinically appropriate formulary and benefit information specific to an enrollee, including, but not limited to, enrollee cost-sharing information, information on any available formulary alternatives that are clinically appropriate and information about the formulary status and the utilization review and prior authorization requirements of each drug presented. Upon a carrier's request, the superintendent may grant a waiver from the requirements of this paragraph based on a demonstration of good cause.
- **Sec. 3. Bureau of Insurance to monitor compliance.** Beginning January 1, 2021, the Department of Professional and Financial Regulation, Bureau of Insurance shall monitor compliance by carriers authorized to do business in this State with the requirements of the Maine Revised Statutes, Title 24-A, section 4304, subsection 2-B using its authority under Title 24-A, section 221. The bureau shall also request information from carriers on the adoption and usage of electronic transmission by health care providers for requesting prior authorization for prescription drugs from carriers. No later than June 1, 2022, the bureau shall submit a report to the joint standing committee of the Legislature having jurisdiction over health coverage and insurance matters on the status of compliance by carriers. If the bureau determines that a carrier is not complying with the requirements of Title 24-A, section 4304, subsection 2-B, the bureau shall take enforcement action against the carrier as appropriate. The joint standing committee of the Legislature having jurisdiction over health coverage and insurance matters may report out a bill to the First Regular Session of the 131st Legislature based on the report.'

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

40 SUMMARY

This amendment replaces the bill and makes the following changes.

1. It requires carriers to provide by January 1, 2022 at least one electronic tool to facilitate the availability of certain prescription drug benefit information in real time at

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the point of prescribing and when submitting prior authorization requests for prescripti	ion					
drugs. It also permits the Superintendent of Insurance to grant a waiver from the	the					
requirements for good cause.						

2. It requires the Department of Professional and Financial Regulation, Bureau of Insurance to monitor compliance by carriers with the requirements of law related to electronic transmission of prior authorization requests for prescription drugs and to submit a report to the joint standing committee of the Legislature having jurisdiction over health coverage and insurance matters on the status of that compliance by June 1, 2022.

### FISCAL NOTE REQUIRED

(See attached)



## 129th MAINE LEGISLATURE

LD 2106

LR 2690(02)

An Act Regarding Prior Authorizations for Prescription Drugs

Fiscal Note for Bill as Amended by Committee Amendment " " Committee: Health Coverage, Insurance and Financial Services Fiscal Note Required: Yes

### **Fiscal Note**

Minor cost increase - Other Special Revenue Funds

#### **Fiscal Detail and Notes**

Any additional costs to the Department of Professional and Financial Regulation, Bureau of Insurance, to monitor compliance as required in this bill are expected to be minor and can be absorbed within existing budgeted resources.