

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
126<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON INSURANCE AND  
FINANCIAL SERVICES**

July 2013

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# STATE OF MAINE

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## LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 126<sup>th</sup> Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

*CARRIED OVER* ..... carried over to a subsequent session of the Legislature  
*CON RES XXX* ..... chapter # of constitutional resolution passed by both houses  
*CONF CMTE UNABLE TO AGREE* ..... Committee of Conference unable to agree; legislation died  
*DIED BETWEEN HOUSES* ..... House & Senate disagreed; legislation died  
*DIED IN CONCURRENCE* ..... defeated in each house, but on different motions; legislation died  
*DIED ON ADJOURNMENT* ..... action incomplete when session ended; legislation died  
*EMERGENCY* ..... enacted law takes effect sooner than 90 days after session adjournment  
*FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE* ..... emergency failed to receive required 2/3 vote  
*FAILED, ENACTMENT or FINAL PASSAGE* ..... failed to receive final majority vote  
*FAILED, MANDATE ENACTMENT* ..... legislation proposing local mandate failed required 2/3 vote  
*HELD BY GOVERNOR* ..... Governor has not signed; final disposition to be determined at subsequent session  
*LEAVE TO WITHDRAW* ..... sponsor's request to withdraw legislation granted  
*NOT PROPERLY BEFORE THE BODY* ..... ruled out of order by the presiding officer; legislation died  
*INDEF PP* ..... indefinitely postponed; legislation died  
*ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X* ..... ought-not-to-pass report accepted; legislation died  
*P&S XXX* ..... chapter # of enacted private & special law  
*PUBLIC XXX* ..... chapter # of enacted public Law  
*RESOLVE XXX* ..... chapter # of finally passed resolve  
*VETO SUSTAINED* ..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 126<sup>th</sup> Legislature is October 9, 2013. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

## *Joint Standing Committee on Insurance and Financial Services*

**LD 44**

### **An Act Regarding Pharmacy Provider Audits**

**PUBLIC 71**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BECK LACHOWICZ	OTP-AM	H-45

This bill limits the total amount that may be recouped in pharmacy audits to dispensing fees, unless a misfill occurs. The bill prohibits collection of amounts due as a result of an audit until the audit is complete and appeals are exhausted, unless there is evidence of pharmacy fraud or intentional or willful misrepresentation. The bill also limits access by pharmacy auditors to certain records, requires auditors to give advance notice of an audit and requires the random sampling of pharmacy transactions.

#### **Committee Amendment "A" (H-45)**

This amendment replaces the bill. The amendment adds provisions to the requirements in current law relating to on-site audits of pharmacy providers conducted by pharmacy benefits managers on behalf of health insurance carriers. The amendment requires auditors to give advance notice of audits, gives pharmacy providers the right to request mediation to resolve disagreements and makes clear that provisions relating to retrospective denial of claims apply to pharmacy claims subject to an audit.

#### **Enacted Law Summary**

Public Law 2013, chapter 71 adds provisions to the requirements in current law relating to on-site audits of pharmacy providers conducted by pharmacy benefits managers on behalf of health insurance carriers. The law requires auditors to give advance notice of audits, gives pharmacy providers the right to request mediation to resolve disagreements and makes clear that provisions relating to retrospective denial of claims apply to pharmacy claims subject to an audit.

**LD 70**

### **An Act To Require Full Disclosure by Insurance Carriers Using Credit Ratings**

**ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BEAUDOIN	ONTP	

This bill requires an insurer that obtains credit information on a consumer to provide the consumer with notice of the consumer's credit rating and identify the impact of that rating on rates and coverage as part of the policy issued to the consumer.

**LD 83**

### **An Act To Protect Health Insurance Ratepayers from Undocumented Rate Increases**

**ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PATRICK PETERSON	ONTP	

This bill restores the statutory process for advance review and prior approval of individual health insurance rates and rescinds the changes to the rate review process for individual health insurance made by Public Law 2011, chapter 90.