

MAINE STATE LEGISLATURE

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STATE OF MAINE
126TH 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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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 126th 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 126th 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 893 An Act To Protect Life Insurance Policyholders ONTP

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

This bill requires that a notice of cancellation of life insurance be sent by registered mail to the last known address of the policyholder and any 3rd party designated by the policyholder.

LD 971 An Act Regarding Exemptions under the Maine Insurance Code ONTP

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

This bill removes the exemption of health care sharing ministries from regulation as insurers under the Maine Insurance Code.

LD 984 An Act To Amend the Health Plan Improvement Law Regarding Prescription Drug Step Therapy and Prior Authorization VETO SUSTAINED

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GRATWICK MORRISON	OTP-AM ONTP	S-123

This bill establishes certain standards for prescription drug step therapy policies. The bill also reduces the time for health insurance carriers to respond to nonemergency prescription drug prior authorization requests from 2 days to 24 hours.

Committee Amendment "A" (S-123)

This amendment is the majority report of the committee and replaces the bill. The amendment provides that the clinical review criteria used by a carrier in approving prescription drugs may not require dispensing of a medication for an off-label use and, as in the bill, may not require failure on the same medication on more than one occasion for enrollees continuously enrolled in a health plan offered by the carrier. The amendment also requires health insurance carriers to respond to nonemergency prescription drug prior authorization requests within 24 hours. The bill reduces the time to respond to 24 hours for all nonemergency services prior authorization requests.

LD 991 An Act To Promote Wellness and Prevention through Health Plans ACCEPTED MAJORITY (ONTP) REPORT

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

Joint Standing Committee on Insurance and Financial Services

This bill provides authority to the Superintendent of Insurance, beginning October 1, 2013, to approve pilot projects allowing health insurance carriers to offer health plans that include premium credits and other incentives to encourage enrollees to participate in wellness and prevention programs.

LD 1006 An Act To Clarify Transparency of Medical Provider Profiling Programs Used by Insurance Companies and Other Providers of Health Insurance

PUBLIC 383

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TREAT	OTP-AM	H-502

This bill requires that any cost metric used by insurance providers in a provider profiling program is covered by the existing transparency provisions in the health plan improvement laws. The bill also requires carriers to provide copies of the data methodology used in the metric to affected providers. The purpose of this bill is to require all insurance providers, including the state health plan and other government insurance programs, to be included in this transparency obligation.

Committee Amendment "A" (H-502)

This amendment replaces the bill. The amendment does the following.

1. It repeals and replaces the existing transparency provisions for provider profiling programs to provide that, at least 60 days prior to using or publicly disclosing the results of their provider profiling program, carriers must share with providers their individual provider profile and disclose to providers the methodology, criteria, data and analysis used to evaluate provider quality, performance and cost. It also permits providers to request a copy of the data associated with their profile within 30 days of the carrier's disclosure of the profile and affords providers the opportunity to review and dispute its provider profiling result.
2. It makes clear that any cost metric or cost data used by insurance carriers in a provider profiling program to rate or rank a provider is covered by the transparency provisions for provider profiling programs.
3. It makes clear that the provisions applying to provider profiling programs used by insurance carriers also apply to provider profiling programs developed by the State Employee Health Commission for the health insurance plan provided to state employees.

Enacted Law Summary

Public Law 2013, chapter 383 repeals and replaces the existing transparency provisions for provider profiling programs to provide that, at least 60 days prior to using or publicly disclosing the results of their provider profiling program, carriers must share with providers their individual provider profile and disclose to providers the methodology, criteria, data and analysis used to evaluate provider quality, performance and cost. It permits providers to request a copy of the data associated with their profile within 30 days of the carrier's disclosure of the profile and affords providers the opportunity to review and dispute its provider profiling result. The law makes clear that any cost metric or cost data used by insurance carriers in a provider profiling program to rate or rank a provider is covered by the transparency provisions for provider profiling programs.

Public Law 2013, chapter 383 also clarifies that the provisions applying to provider profiling programs used by insurance carriers also apply to provider profiling programs developed by the State Employee Health Commission for the health insurance plan provided to state employees.