

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
129<sup>TH</sup> LEGISLATURE  
FIRST SPECIAL AND SECOND REGULAR SESSIONS



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

**JOINT STANDING COMMITTEE ON HEALTH COVERAGE,  
INSURANCE AND FINANCIAL SERVICES**

November 2020

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# STATE OF MAINE

129<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



## 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 129<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. An appendix provides a summary of relevant session statistics.

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 129<sup>th</sup> Legislature is Thursday, September 19, 2019. 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 Health Coverage, Insurance and Financial Services*

**LD 1854     An Act To Increase the Minimum Amount of Insurance Coverage  
Required for Medical Payments for Vehicle Liability Insurance** **Accepted Majority  
(ONTP) Report**

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

This bill increases from \$2,000 to \$5,000 the amount of minimum medical payment coverage for motor vehicle liability policies issued or renewed on or after January 1, 2021.

**LD 1866     An Act To Increase the Automatic Draft Authority for Licensed  
Insurance Producers** **PUBLIC 591  
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FOLEY R SAMPSON H	OTP-AM	S-399

This bill increases the standard automatic draft authority for licensed insurance producers from \$5,000 to \$10,000 and allows for a temporary increase of \$20,000 in the event of a severe weather occurrence.

**Committee Amendment "A" (S-399)**

This amendment adds a cross-reference to the bill to maintain consistency with current law that recognizes the ability of the Superintendent of Insurance to authorize the adjustment of insurance claims by unlicensed adjusters after catastrophic losses.

**Enacted Law Summary**

Under current law, licensed insurance producers may be authorized by contract with an insurer to settle and pay claims in amounts up to \$5000 without a separate adjuster license. Public Law 2019, chapter 591 increases that amount from \$5,000 to \$10,000 and allows for a temporary increase to \$20,000 after catastrophic losses.

Public Law 2019, chapter 591 was enacted as an emergency measure effective March 17, 2020.

**LD 1872     Resolve, Regarding Legislative Review of Portions of Chapter 12:  
Licensure of Manufacturers and Wholesalers, a Major Substantive Rule  
of the Department of Professional and Financial Regulation, Maine  
Board of Pharmacy** **RESOLVE 115  
EMERGENCY**

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

This resolve provides for legislative review of portions of Chapter 12: Licensure of Manufacturers and Wholesalers, a major substantive rule of the Department of Professional and Financial Regulation, Maine Board of Pharmacy.

**Enacted Law Summary**

Resolve 2019, chapter 115 authorizes final adoption of portions of Chapter 12: Licensure of Manufacturers and Wholesalers, a Major Substantive Rule of the Department of Professional and Financial Regulation, Maine Board of

*Joint Standing Committee on Health Coverage, Insurance and Financial Services*

Pharmacy.

Resolve 2019, chapter 115 was finally passed as an emergency measure effective March 9, 2020.

**LD 1928     An Act To Prohibit Health Insurance Carriers from Retroactively  
Reducing Payment on Clean Claims Submitted by Pharmacies**

**PUBLIC 643**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LIBBY N TEPLER D	OTP-AM OTP-AM	S-434

This bill prohibits a health insurance carrier from retroactively reducing payment on a properly submitted claim by a pharmacy provider. The bill also prohibits a carrier from charging a pharmacy provider or holding a 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 by the carrier.

**Committee Amendment "A" (S-434)**

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.

**Committee Amendment "B" (S-435)**

This amendment replaces the bill and is the minority report of the committee. The amendment prohibits a carrier, a carrier's pharmacy benefits manager or any other entity contracting with a pharmacy provider, either directly or through an intermediary, from charging a pharmacy provider or holding a pharmacy provider responsible for any charge or 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, unless the carrier provides supporting documentation to the pharmacy provider explaining the contractual basis for the charge or fee.

Committee Amendment "B" was not adopted.

**Enacted Law Summary**

Public Law 2019, chapter 643 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 law 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.