



129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 705

S.P. 218

In Senate, February 11, 2019

An Act Regarding the Process for Obtaining Prior Authorization for Health Insurance Purposes

Reference to the Committee on Health Coverage, Insurance and Financial Services suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator GRATWICK of Penobscot.
Cosponsored by Representative HYMANSON of York and
Senators: CARPENTER of Aroostook, CLAXTON of Androscoggin, MOORE of Washington,
SANBORN, H. of Cumberland, SANBORN, L. of Cumberland, Representatives:
JORGENSEN of Portland, MEYER of Eliot, PERRY of Calais.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 24-A MRSA §4304, sub-§2**, as amended by PL 1999, c. 742, §12, is
3 further amended to read:

4 **2. Prior authorization of nonemergency services.** Requests by a provider for prior
5 authorization of a nonemergency service must be answered by a carrier within ~~2 business~~
6 days 48 hours. Both the provider and the enrollee on whose behalf the authorization was
7 requested must be notified by the carrier of its determination. ~~If the information~~
8 ~~submitted is insufficient to make a decision, the carrier shall notify the provider within 2~~
9 ~~business days of the additional information necessary to render a decision. If the carrier~~
10 ~~determines that outside consultation is necessary, the carrier shall notify the provider and~~
11 ~~the enrollee for whom the service was requested within 2 business days. The carrier shall~~
12 ~~make a good faith estimate of when the final determination will be made and contact the~~
13 ~~enrollee and the provider as soon as practicable. Notification requirements under this~~
14 ~~subsection are satisfied by written notification postmarked within the time limit specified.~~

15 **Sec. 2. 24-A MRSA §4304, sub-§§2-A and 2-B** are enacted to read:

16 **2-A. Medical services exempt from prior authorization.** A carrier may not
17 subject medication-assisted treatment for opioid use disorder to prior authorization.

18 **2-B. Electronic transmission of prior authorization requests.** Beginning no later
19 than January 1, 2020, if a health plan provides coverage for prescription drugs, the carrier
20 must accept and respond to prior authorization requests in accordance with subsection 2
21 through a secure electronic transmission using standards adopted by a national council for
22 prescription drug programs for electronic prescribing transactions. Beginning no later
23 than July 1, 2020, a carrier must accept and respond to prior authorization requests for
24 medical services in accordance with subsection 2 through a standard secure electronic
25 transmission under the federal Health Insurance Portability and Accountability Act of
26 1996, Public Law 104-191. For the purposes of this subsection, transmission of a
27 facsimile through a proprietary payer portal or by use of an electronic form is not
28 considered electronic transmission.

29 **SUMMARY**

30 This bill amends the prior authorization process for health insurance carriers. It
31 reduces the time frame for a carrier's response to a prior authorization request and it
32 exempts medication-assisted treatment for opioid use disorder from prior authorization
33 requirements.

34 The bill also requires a health insurance carrier to develop an electronic transmission
35 system for prior authorization of prescription drug orders by January 1, 2020 and for
36 medical services by July 1, 2020.