

§4347. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

1. Average wholesale price. "Average wholesale price" means the average wholesale price of a prescription drug as identified by a national drug pricing source selected by a health insurer. The average wholesale price must be identified by the 11-digit national drug code, as amended from time to time, for the prescription drug dispensed for the quantity dispensed. [PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

2. Brand-name drug. "Brand-name drug" means a prescription drug marketed under a proprietary name or registered trademark name, including a biological product. [PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

3. Carrier. "Carrier" has the same meaning as in section 4301-A, subsection 3, except that "carrier" does not include a multiple-employer welfare arrangement, as defined in section 6601, subsection 5, if the multiple-employer welfare arrangement contracts with a 3rd-party administrator to manage and administer health benefits, including benefits for prescription drugs. "Carrier" also includes the MaineCare program pursuant to Title 22, chapter 855 and the group health plan provided to state employees and other eligible persons pursuant to Title 5, section 285. [PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

4. Compensation. "Compensation" means any direct or indirect financial benefit, including, but not limited to, rebates, discounts, credits, fees, grants, charge-backs or other payments or benefits of any kind. [PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

5. Cost-sharing amount. "Cost-sharing amount" means the amount paid by a covered person as required under the covered person's health plan for a prescription drug at the point of sale. [PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

6. Covered person. "Covered person" means a policyholder, subscriber, enrollee or other individual participating in a health plan. "Covered person" includes the authorized representative of a covered person. [PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

7. Dispensing fee. "Dispensing fee" means the professional fee incurred at the point of sale or service that pays for pharmacy costs, in excess of ingredient cost, associated with ensuring that possession of the appropriate prescription drug is transferred to a covered person. [PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

8. Formulary. "Formulary" means a list of prescription drugs covered by a health plan and any tier levels applicable to a prescription drug. [PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

9. Generic drug. "Generic drug" means a prescription drug, whether identified by its chemical, proprietary or nonproprietary name, that is not a brand-name drug and is therapeutically equivalent to a brand-name drug in dosage, safety, strength, method of consumption, quality, performance and intended use. "Generic drug" includes a biosimilar product. [PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

10. Health plan. "Health plan" has the same meaning as in section 4301-A, subsection 7. [PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

11. Ingredient cost. "Ingredient cost" means the actual amount paid to a pharmacy provider by a carrier or the carrier's pharmacy benefits manager for a prescription drug, not including the dispensing fee or cost-sharing amount.

[PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

12. Mail order pharmacy. "Mail order pharmacy" means a pharmacy whose primary business is to receive prescriptions by mail, by fax or through electronic submissions and to dispense medication to covered persons through the use of the United States mail or other common or contract carrier services and that provides any consultation with patients electronically rather than face to face.

[PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

13. Maximum allowable cost. "Maximum allowable cost" means the maximum amount a health insurer will pay for a generic drug or brand-name drug that has at least one generic alternative available.

[PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

14. Network pharmacy. "Network pharmacy" means a licensed retail pharmacy or other pharmacy provider that contracts with a pharmacy benefits manager.

[PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

15. Pharmacy. "Pharmacy" means an established location, either physical or electronic, that is licensed by the State and that has entered into a network pharmacy contract with a pharmacy benefits manager or carrier.

[PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

16. Pharmacy and therapeutics committee. "Pharmacy and therapeutics committee" means a committee, board or equivalent body established by a carrier to develop and maintain formularies.

[PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

17. Pharmacy benefits manager. "Pharmacy benefits manager" means a person, business or other entity that, pursuant to a contract or under an employment relationship with a carrier, a self-insurance plan or other 3rd-party payer, either directly or through an intermediary, manages the prescription drug coverage provided by the carrier, self-insurance plan or other 3rd-party payer, including, but not limited to, processing and paying claims for prescription drugs, performing drug utilization review, processing drug prior authorization requests, adjudicating appeals or grievances related to prescription drug coverage, contracting with network pharmacies and controlling the cost of covered prescription drugs.

[PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

18. Pharmacy provider. "Pharmacy provider" means a retail pharmacy, mail order pharmacy or licensed pharmacist.

[PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

19. Retail pharmacy. "Retail pharmacy" means a chain pharmacy, a supermarket pharmacy, a mass merchandiser pharmacy, an independent pharmacy or a network of independent pharmacies that is licensed as a pharmacy by this State and that dispenses medications to the public.

[PL 2019, c. 469, §8 (NEW); PL 2019, c. 469, §9 (AFF).]

SECTION HISTORY

PL 2019, c. 469, §8 (NEW). PL 2019, c. 469, §9 (AFF).

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