STATE OF MAINE
DEPARTMENT OF PROFESSIONAL & FINANCIAL REGULATION
BUREAU OF INSURANCE

Janet T. Mills
Governor

Anne L. Head
DPFR Commissioner

Timothy N. Schott
Acting Superintendent

May 8, 2023

Senator Donna Bailey, Chair
Representative Anne Perry, Chair
Joint Standing Committee on Health Coverage, Insurance and Financial Services
100 State House Station
Augusta, ME 04333-0100

Re: L.D. 1577, An Act to Require Health Insurance Coverage for Biomarker Testing

Dear Senator Bailey, Representative Perry, and Members of the Committee:

The Bureau of Insurance takes no position on L.D. 1577. The purpose of this letter is to provide you with background information. This bill would require carriers offering health plans in the State to provide coverage for biomarker testing. The bill also requires MaineCare coverage of biomarker testing but our comments are limited to the sections that pertain to Title 24-A. In nonemergency cases where prior authorization is required, the entity must approve or deny the request within 72 hours for nonurgent cases or within 24 hour for urgent cases. The Committee may want to consider including specific effective date language that provides adequate time for approval of revised contract forms.

Beginning in 2014, states were required to defray the costs of all mandates that are included in Qualified Health Plans, unless those mandates are required as part of the essential benefit package. The Affordable Care Act (ACA) directs states to make payments either to the individual enrollee or to the insurer. Generally, any mandate adopted by a state after December 31, 2011 is subject to the requirement for the state to defray the additional premium cost of that mandate, unless it is an extension of an existing mandate, a provider mandate, or a cost-sharing requirement.

Title 24-A M.R.S. § 2752 requires a review and evaluation of a mandated benefit proposal by the Bureau of Insurance before the bill may be enacted. These reviews include an evaluation of the financial impact, social impact and medical efficacy of the mandate. If a report is requested it could cost the Bureau up to $13,500 for outside contract consulting work plus staff time, estimated at a cost of $1,600 to collect information, review consultant work, and prepare the final report. We anticipate that current resources will allow us to conduct up to two studies during the current session, and we will need eight weeks for each report to ensure a high-quality evaluation.

I hope this information is useful to the Committee. Please let me know if I can provide any further assistance.

Sincerely,

Timothy N. Schott
Acting Superintendent

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