



Testimony in Support of

LD 378, An Act to Clarify That Health Insurers Must Comply with Plan Sponsor's Statutory Rights to Audit Claims and Related Data Requests Related to Those Audits

March 12, 2026

Senator Donna Bailey
Representative Kristi Mathieson
Members of the Committee on Health Coverage, Insurance and Financial Services

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

The Maine Municipal Employees Health Trust (MMEHT) was founded in 1983 with the goal of containing healthcare costs while maintaining quality benefit programs and providing superior service. The Trust is a non-profit, self-insured organization, governed by Trust participants. We are a Multiple Employer Welfare Arrangement (MEWA) regulated by the Bureau of Insurance.

At the present time, over 480 Maine municipalities, counties, and quasi-municipal organizations participate in one or more of the Health Trust's medical plans. This represents over 20,000 employees, retirees and dependents, located in every county in Maine.

The MMEHT strongly supported LD 1906, An Act to Improve Accountability and Understanding of Data in Insurance Transactions during the 2025 Session of the Legislature, and we were pleased by the enhanced rights that new law provided us. We appreciated the Committee's understanding of the needs for additional audit rights to ensure that the vendors we work with are meeting their contractual obligations to our members.

The law prohibits insurance companies and pharmacy benefit managers from including restrictive auditing provisions in their contracts with purchasers such as the Health Trust, and it specifies key data that they must make available for audits. We believe that these reforms will strengthen the Health Trust Board's ability to perform their due diligence and fiduciary oversight of the plan and allow us to confirm that all contract terms and financial guarantees are being met.

We were disappointed to learn that Public Law 2025, chapter 487 is being interpreted by some carriers as not applying to them in their role as a third party administrator (TPA) to self-insured plans such as the Health Trust. In contract negotiations with our TPA this spring, they have not agreed to extend any of the new rights as outlined in the law, and the restrictive auditing terms remain in our Administrative Services Agreement.

The Trust engages an independent auditing firm to audit claims paid by our third party administrators (TPAs) twice a year. Under our current health TPA's audit policy, we are limited to auditing only a tiny fraction of claims. The sampling of 100 medical claims and 50 pharmacy claims which are audited annually is inadequate to identify any potential trends or claims processing issues. As health plan administration grows further complicated, MMEHT's ability to confirm that claims are being paid properly is even more critical.

On behalf of MMEHT, I thank you for considering this bill to address the issue and urge you to support **LD 378, An Act to Clarify That Health Insurers Must Comply with Plan Sponsor's Statutory Rights to Audit Claims and Related Data Requests Related to Those Audits.**

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Kristina A. Gould". The signature is written in a cursive, flowing style.

Kristina A. Gould
Director, Health Trust Services