



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 9, 2023

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

Re: L.D. 1740, An Act to Support an Insured Patient's Access to Affordable Health Care with Timely Access to Health Care Prices

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

The Bureau of Insurance takes no position on L.D. 1740. The purpose of this letter is to provide you with background information. In addition to amending the General Provisions section of title 22, Part 4, Hospitals and Medical Care¹, this bill amends the Maine Health Security Act² in title 24 and the Health Plan Improvement Act³ in title 24-A. My comments will focus solely on titles 24 and 24-A.

In title 24, it requires a health care entity (as defined in title 22 section 1718-B) to provide, as part of a written document given to the patient to obtain informed consent to treatment, the notice that the patient has the right to request a good faith estimate of the price of the medical services prior to receiving them, pursuant to the directives in section 2 of the bill. This section of Title 24 regarding provider paperwork, we neither enforce nor administer.

In Title 24-A, the bill requires a carrier, within 3 business days of a request, to provide an advanced explanation of benefits in clear and understandable language that complies with the federal No Surprises Act (NSA) and its implementing regulations.

Effective January 1, 2022, NSA currently requires those who do not have health insurance or do not plan to use their health insurance to receive a good faith estimate from the provider of what they may be charged before they receive the item or service. The NSA also requires insurers to provide an advance explanation of benefits to members for all scheduled services prior to the services being rendered and after the provider submits a good faith estimate to the plan, but implementation of this part of the statute has been delayed. No federal rules implementing this part of the NSA have been issued yet. This bill attempts to duplicate that part of the NSA.

A request for information on advanced explanation of benefits and good faith estimates was issued on September 16, 2022, by U.S. Departments of Labor, Health and Human Services, the

¹ 22 M.R.S. §§ 1701-2150-G.

² 24 M.R.S §§ 2502-2988.

³ 24-A M.R.S. §§ 4301-4343.

Office Location: 76 Northern Avenue, Gardiner, Maine 04345
Mailing Address: 34 State House Station, Augusta, Maine 04333
www.maine.gov/insurance

Phone: (207) 624-8475

TTY: Please Call Maine Relay 711

Consumer Assistance: 1-800-300-5000

Fax: (207) 624-8599

Senator Donna Bailey, Senate Chair
Representative Anne Perry, House Chair
May 9, 2023
Page 2 of 2

Treasury, and the Office of Personnel Management seeking information and recommendations on transferring data from providers and facilities to health plans and insurers, policy approaches and the economic impact of implementation. The comment period closed on November 15, 2022. Because federal rulemaking is in progress, this bill may be premature. In addition, once federal regulations are issued, they will preempt any conflicting state law that may be in place.

Carriers are also required to make pricing information available to the public. Beginning January 1, 2023, CMS requires most individual and group plans to disclose pricing information for 500 covered items and services through an online consumer tool, by phone or in paper form upon request. Cost estimates must be provided in real time based on accurate cost-sharing information. Effective in 2024, CMS will require plans to have an internet-based price comparison tool allowing consumers to receive an estimate of their cost-sharing responsibility for all items and services. Accordingly, it is possible that this bill will not be necessary.

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

Cc: Representative Poppy Arford