TESTIMONY OF STACY BERGENDAHL SENIOR STAFF ATTORNEY BUREAU OF INSURANCE

DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION

In support of L.D. 1100

An Act to Clarify the Requirements for Accessing Nonformulary Drugs and Drugs Used to Treat Serious Mental Illness

Presented by Senator Bailey

Before the Joint Standing Committee on Health Coverage, Insurance & Financial Services

April 1, 2025 at 1:00pm

Senator Bailey, Representative Mathieson, and members of the Committee, I am Stacy Bergendahl, Senior Staff Attorney at the Bureau of Insurance. I am here today to testify in support of LD 1100, a department bill proposed by the Bureau.

The bill addresses shortages of formulary medications used to assess and treat serious mental health illnesses by requiring health insurers to cover an equivalent nonformulary drug for the period of time the formulary drug is not available.

In light of several drug shortages last year, the BOI published Bulletin 478 directing carriers to treat nonformulary drugs prescribed to assess and treat serious mental illness the same as formulary drugs when a drug shortage makes the formulary drug unavailable. This bill would codify the requirements in the

bulletin. The intention is not to force carriers directly into nonformulary drugs if a formulary drug is available.

This bill also addresses 24-A M.R.S. § 4311 (1-A), which covers clinically appropriate drugs not covered by a carrier's formulary, by amending it to be consistent with § 4304. Section 4304 allows the carrier to disapprove a request for a nonformulary drug. As currently written, § 4311 (1-A) requires the carrier to approve a request for the nonformulary drug. Accordingly, these two provisions conflict. The proposed language will fix this inconsistency.

Thank you, I would be glad to answer any questions now or at the work session.