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Testimony in Opposition to LD 1496

An Act to Ensure Ongoing Access to Medications and Care for Chronic Conditions and Conditions
Requiring Long-term Care by Changing Requirements for Prior Authorizations
April 24, 2025

Senator Bailey, Representative Mathieson, and Members of the Health Coverage, Insurance, and Financial Services Committee.

My name is Dan Demeritt, the Executive Director of the Maine Association of Health Plans. Insurance coverages offered or administered by our member plans provide access to care and better outcomes for many of the Mainers who receive coverage through an employer plan or the individual market. Our mission as an association is to improve health by promoting affordable, safe, and coordinated health care.

Health plans regulated in Maine are working hard to maintain the affordability of health insurance coverage in the face of ever-increasing costs for prescription drugs and hospitalizations. Prior authorization, a form of utilization management, is one of the most important tools available to Maine health plans to manage costs and keep health insurance premiums affordable for Maine employers and families.

Prior authorization protects patients from potentially unnecessary or harmful care, keeps treatments and services current with evolving standards of care, and leads to better outcomes by directing members to evidence-based care delivered in the most appropriate setting.

Public payers and self-funded plans also use Prior Authorization to manage costs and improve outcomes for patients and would not be subject to the restrictions in L.D. 1496.

131st Maine Legislature Addresses Prior Authorization

The 131st Legislature took steps to improve prior authorization timeliness, minimize administrative burdens, and create more transparency around prior authorization with the enactment of L.D. 796 (P.L. 2023 c. 680). Reports now available on the Maine Bureau of Insurance's website show prior authorization approval rates and times from 2021 to 2023 and data for the 2024 plan year was due to the Bureau earlier this month and will be reported later this year.¹

Health plans and providers must continue to work together to improve processes related to prior authorization. Protections for members include practitioner review of adverse healthcare treatment decisions, rights to appeal, and an independent dispute resolutions process.

¹ <https://www.maine.gov/pfr/insurance/sites/maine.gov.pfr.insurance/files/inline-files/Prior%20Authorization%20Data%20for%20Calendar%20Years%202021-2023.pdf>

Concerns with L.D. 1496

This proposal extends by up to five years the period for which a prior authorization must remain in place and adds new restrictions on a health plan's ability to manage coverage and care for their members. Specific concerns include the following items.

Consistency with Clinical Trials: Authorization durations generally correlate with clinical trial designs used to support FDA approval of a product and consider safety and monitoring concerns highlighted by the FDA in prescribing information. On average, Phase II trials are several months to two years and Phase III trials can last one to four years.²

5-Year Prohibition on Renewal Requirements (p.1, line-5): Health conditions and treatments can change rapidly. New, potentially more effective or less expensive services or treatments may be newly covered and available during this long time span.

Moreover, patient conditions can evolve. What makes sense for a patient now may not still be the case in the coming months or years due to additional comorbidities, altered health status, and a variety of other factors.

Prior authorization and other utilization management tools help to protect patients and every five years is far too long to revisit treatment appropriateness. Owing to the need to keep treatment updated to the latest advances and changing patient conditions, many health plans do not have the ability in their systems to extend prior authorization beyond a year.

Finally, a lengthy prior authorization is not appropriate for certain health care services, such as prescriptions for opioids and narcotics.

Change of Dosage (p.1, line-36): A prescription that changes a medication dosage is a new prescription and would be subject to prior authorization. It is important to assess, for example, how an increased dosage of a particular drug might interact with other drugs the patient is taking or other conditions the patient may experience.

Overly Broad Use of Chronic and Long-Term Conditions: Six-in-ten U.S. adults have at least one chronic disease with more than three-in-ten Mainers suffering from hypertension, arthritis, or obesity according to the 2023 State of Chronic Disease in Maine.³

There are far too many examples of conditions and associated services that could fall under these overly broad categories. If the Committee decides to move forward with the bill, chronic and long-term conditions will need to be clearly and narrowly defined.

² <https://clinicaltrialguide.com/the-guide/clinical-trial-phase-duration/>

³ <https://chroniccarealliance.org/wp-content/uploads/2023/11/CCPA-Maine-State-of-Chronic-Disease-2023.pdf>

Unintended Consequence in Behavioral Health Utilization Management: Utilization management for behavioral health services is based on level of care for the service, not a diagnosis or condition. Changing that process to comply with this legislation could create confusion and administrative burdens for providers and create barriers that prevent patients from receiving the most appropriate level of care.

Prohibition on Coverage Restrictions: It is not clear what is intended or would be required under the proposed coverage restriction prohibitions (L.D. 1496, p.1, lines 18 and 40). It could be interpreted that plans may restrict coverage with a 90-day notice rather than the current practice of requiring authorization renewals when medically appropriate.

Thank you for your consideration. We urge a vote of Ought Not to Pass on LD 1496.

STATE OF CHRONIC DISEASE IN MAINE

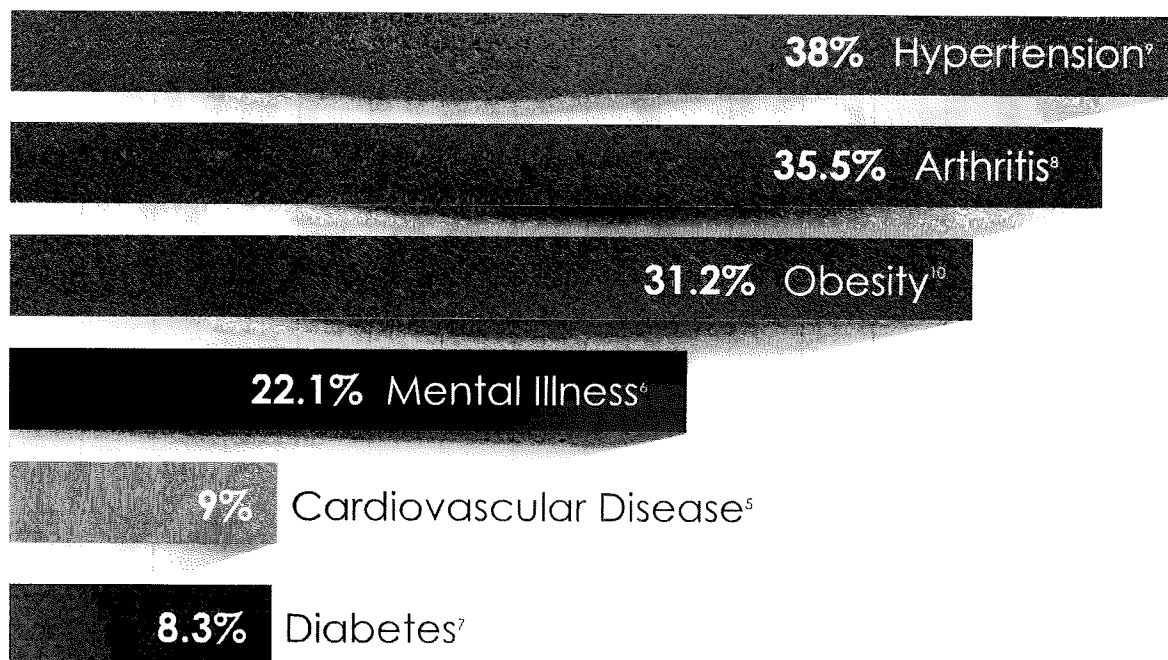


14.6%

OF ADULTS IN MAINE
REPORT A HEALTH STATUS
OF FAIR OR POOR⁴

Health care disparities create undue and significant hurdles for patients in need and disproportionately impact individuals with chronic conditions. It is critical that all patients have equal access to health care services independent of age, ethnicity, socio-economic status or health status.

LEADING CHRONIC DISEASES IN MAINE



CHRONIC DISEASE IN THE U.S.

