

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

April 24, 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. 1533, an Act to Provide for Consistent Billing Practices by Health Care Providers

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

The Bureau of Insurance takes no position on L.D. 1533. The purpose of this letter is to provide you with background information. This bill would add a provision to the Health Security Act subchapter on Billing for Health Care (24 M.R.S. §§ 2985 – 2988) requiring the "off-campus outpatient department[s]" of health care facilities to obtain National Provider Identifiers that are distinct from the facilities' NPIs as a prerequisite to reimbursement/payment for services provided in those departments. The bill would prohibit claiming for or holding an enrollee responsible for services not billed using the distinct NPI or using the federal standardized claims form. Proposed 24 M.R.S. § 2989(5) would prohibit a facility that does not bill for health care services provided at such a department as required by the bill from holding the enrollee liable for payment, and make a violation of this prohibition a violation of the Maine Unfair Trade Practices Act (5 M.R.S. Ch. 10), with enforcement authority with the Office of the Attorney General. The bill would permit the Superintendent to refer providers to DHHS for violations of the law and permit DHHS to take enforcement action.

It is important for billing to accurately reflect where a health care service is actually performed. Billing for a service that is performed at a less expensive facility at the rate charged for a more expensive facility could have a negative impact on premiums and consumer cost-sharing, leading to higher health care costs for consumers.

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 Joshua Morris

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