

January 6, 2006

Senator Nancy B Sullivan, Senate Chair
Representative Anne C. Perry, House Chair
Joint Standing Committee on Insurance and Financial Services
100 State House Station
Augusta, Maine 04333-0100

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

Please accept this letter as an update to the implementation of P.L. 2005, chapter 97 (LD 416) enacted last year. The committee requested the Superintendent report on the volume of complaints received by the Bureau as a result of the requirement that health care providers in office settings submit claims on the standardized federal form used by non-institutional providers (HCFA 1500).

Bureau staff convened a meeting with interested parties on July 27, 2005 to clarify how the Bureau would administer P.L. 2005, c.97. The meeting was well attended by representatives of insurance companies, the Maine Medical Association, the Maine Osteopathic Association as well as the Maine Hospital Association. Additionally, two individuals from Maine Health attended the meeting. The meeting provided a good opportunity for an exchange of information between the interested parties and the Bureau. Sample billing scenarios were emailed to participants of the July 27, 2005 meeting underscoring the Superintendent's interpretation of how he will administer P.L. 2005, c. 97.

Glenn Griswold, Director of the Consumer Health Care Division attended two meetings of the State Uniform Billing Committee to provide guidance to hospital and insurance representatives serving on that committee. Finally, a letter was sent on September 20, 2005 to association representatives providing guidance on the Bureau administration of P.L. 2005, c. 97 for distribution to their members.

Since the enactment of this law the Consumer Health Care Division in the Maine Bureau of Insurance has not received a single complaint from policyholders indicating a problem with the manner in which their services were billed. It appears the goal of isolating consumers from paying additional facility charges or subject them to higher co-payments and deductibles because of the health care practitioners site of practice was achieved by the passage of P.L. 2005, c. 97.

Respectfully Submitted,

Alessandro A. Iuppa
Superintendent