



ALASKA STATE LEGISLATURE

SENATE LABOR & COMMERCE COMMITTEE

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SB 133-INSURANCE; PRIOR AUTHORIZATIONS

"An Act relating to prior authorization requests for medical care covered by a health care insurer; relating to a prior authorization application programming interface; relating to step therapy; and providing for an effective date."

Sponsor Statement – ver. \N

We have heard from Alaskans about the burden they face when seeking prior approval, or prior authorization for a medical treatment, procedures, or medication.

Healthcare industry stakeholders convened numerous meetings over the interim to craft a bill that would address prior authorization and work for patients, providers, regulators and insurers alike. These meetings culminated in Senate Bill 133.

SB 133 requires a process for prior authorization that is easily understood by health care providers and their patients. It establishes time frames for approvals, as well as directions that must be followed if the insurer does not receive enough information to make a determination, or if there is an adverse determination. It also provides specific communication requirements between the insurer and provider about the process and when any changes to the process might be enacted.

The bill encourages the use of the electronic data transmission through the insurers' website or a portal to safeguard the patient's information, providing for efficiencies for both the health care provider and the insurer.

SB 133 provides direction on the length of time a prior authorization may be granted for a chronic condition and how the prior authorization will be renewed when appropriate. It also provides direction on how the insurer is to implement step therapy protocols for patients with Stage 4 advanced metastatic cancer that allow the patient an expedient way to receive the treatment or prescription drugs that they need as quickly as possible.

SB 133 establishes that the Director of the Division of Insurance shall include in the division's annual report, an update on the use of the program with statistics on approval time frames and other key metrics. Finally, the bill provides the Director with the authority to monitor compliance and enforcement.

Please join me in moving forward this legislation forward to the benefit of all Alaska patients.