

HB 144

Prior Authorization

Representative Justin Ruffridge

Issue

- Need for Prior Authorization (PA) before obtaining services.
- Time
- Individuals with Chronic Conditions.
- Crafting a solution that takes into account the needs and protocols for all parties.

Solution contained in HB 144

- Over the past year, numerous meetings between stakeholders.
- Easy to understand process.
- Establish timelines
- Enforcement

HB 144 specifies times

- Easy to understand by patients and healthcare providers.
- Process must be reasonable and efficient.
- Determination with 72 hours for standard request.
- 24 hours for an expedited request.
- Prior Authorization request is approved if timeline is not met under the updated process.

Process for incomplete information

- If more information is needed to make a determination, the insurer shall send a request within one calendar day for an expedited request and three calendar days for a standard request.
- Information due to the insurer between five to 14 days.

Prior Authorization process improvements

- PA standards listed on the health care insurer's website or portal (both locations if available).
- PA criteria based on peer-reviewed, evidenced-based clinical review criteria.
- Consistently applied by all sources including Utilization Review Organizations.

Favorable to patients

- Patients benefit...if the standards by the insurer and the utilization review organization are different.
- For each service, the insurer must list:
 - If a prior authorization process is necessary.
 - Date the requirement became effective

Chronic Conditions

- PA is valid for not less than 12 months.
- Automatic renewal if condition remains unchanged.
- Stage 4 metastatic cancer/Step therapy.

Accountability and Compliance

- Dept of Insurance Director shall monitor compliance.
- Examination of health care insurers at least every two years:
 - PA response times and adherence to timeframes.
 - Accuracy and completeness of PA requirements.
 - Consistency of PA practices by Utilization Review Organizations and Third-Party Administrators.

Enforcement

- The director may impose penalties
 - May impose a penalty for each instance of noncompliance
 - Persistent or severe violations may warrant suspension or revocation of health insurer's certificate of authority

Questions?

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