

2022 Regular Session

SENATE BILL NO. 112

BY SENATOR ROBERT MILLS

HEALTH/ACC INSURANCE. Requires health insurers that utilize prior authorization to reduce burdensome delays in approving and in making payments for covered healthcare services. (8/1/22)

1 AN ACT  
2 To enact Subpart A-4 of Part III of Chapter 4 of Title 22 of the Louisiana Revised Statutes  
3 of 1950, comprised of R.S. 22:1020.61, relative to health insurance; to provide for  
4 prior authorization for health insurance claims related to certain health care  
5 procedures; to provide for the creation of programs for the selective application of  
6 prior authorization; to provide for definitions; to provide for development and  
7 maintenance of programs seeking to reduce prior authorization requirements related  
8 to certain health care services performed by certain health care providers; to provide  
9 for the promulgation of rules; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. Subpart A-4 of Part III of Chapter 4 of Title 22 of the Louisiana Revised  
12 Statutes of 1950, comprised of R.S. 22:1020.61 is hereby enacted to read as follows:

13 **SUBPART A-4. REDUCING ADMINISTRATIVE BURDENS**

14 **IN HEALTH INSURANCE**

15 **§1020.61. Selective application of prior authorization**

16 **A.(1) Every health insurance issuer authorized to do business in this state**  
17 **shall implement and maintain a program that allows for the selective**

1 application of reducing prior authorization requirements that are based on the  
2 stratification of health care providers' performance and adherence to  
3 evidence-based medicine. The program shall promote quality, affordable health  
4 care, and reduce unnecessary administrative burdens for both the health  
5 insurance issuer and the health care provider. Criteria for participation by  
6 health care providers and the health care services included in the program  
7 excluding pharmacy services shall be at the sole discretion of the health  
8 insurance issuer. A health insurance issuer shall submit to the Louisiana  
9 Department of Insurance a filing, in accordance with Subsection B of this  
10 Section, concerning the program that includes a full narrative description, the  
11 criteria for participation, a listing of the procedures and services subject to  
12 selective application of prior authorization and the number of health care  
13 providers participating in the program.

14 (2) For the purposes of this Section, "health insurance issuer" shall have  
15 the same meaning as provided for in R.S. 22:1019.1.

16 B. The filing shall be in a form and manner provided for by the  
17 Louisiana Department of Insurance, promulgated in accordance with the  
18 Administrative Procedure Act, and shall be submitted initially by July 1, 2023,  
19 and each time the health insurance issuer makes a filing in accordance with R.S.  
20 22:571 thereafter.

21 Section 2. This Act shall become effective upon signature by the governor or, if not  
22 signed by the governor, upon expiration of the time for bills to become law without signature  
23 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
24 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
25 effective on the day following such approval.

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The original instrument was prepared by Carla S. Roberts. The following digest, which does not constitute a part of the legislative instrument, was prepared by Beth O'Quin.

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DIGEST

SB 112 Engrossed                      2022 Regular Session                      Robert Mills

Proposed law requires every health insurance issuer authorized to do business in this state to maintain a program that allows for the selective application of reducing prior authorization requirements based on the stratification of health care providers' performance and adherence to evidence-based medicine, and the criteria for participation by health care providers and health care services included in the program that excludes pharmacy services, and the participants are required to submit a report to the Louisiana Department of Insurance that includes a full narrative description, the criteria for participation, a listing of the procedures and services subject to the selective application of prior authorization and the number of health care providers participating in the program.

Proposed law defines health insurance issuer.

Proposed law provides the Dept. of Insurance is to promulgate the form and manner that is to be filed by the participants in the program initially by July 1, 2023.

Effective August 1, 2022.

(Adds R.S. 22:1020.61)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Requires health insurance issuers to maintain a program that allows for the selective application of reducing prior authorization requirements based on the stratification of health care providers' performance and adherence to evidence-based medicine, and the criteria for participation by health care providers included in the program that excludes pharmacy services.
2. Requires participants to submit a report to the Louisiana Department of Insurance that includes a full narrative description, the criteria for participation, a listing of the procedures and services subject to the selective application of prior authorization, and the number of health care providers participating in the program.
3. Adds a definition for health insurance issuer.
4. Adds the filing of this program is required to be in the form and manner provided for by the Louisiana Department of Insurance, in accordance with the Administrative Procedures Act, and the report shall be submitted initially by July 1, 2023.