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

AN ACT

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

Be it enacted by the Legislature of Louisiana:

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

SUBPART A-4. REDUCING ADMINISTRATIVE BURDENS

IN HEALTH INSURANCE

§1020.61. Selective application of prior authorization

A.(1) Every health insurance issuer authorized to do business in this state shall implement and maintain a program that allows for the selective
application of reducing prior authorization requirements that are based on the
stratification of health care providers' performance and adherence to
evidence-based medicine. The program shall promote quality, affordable health
care, and reduce unnecessary administrative burdens for both the health
insurance issuer and the health care provider. Criteria for participation by
health care providers and the health care services included in the program
excluding pharmacy services shall be at the sole discretion of the health
insurance issuer. A health insurance issuer shall submit to the Louisiana
Department of Insurance a filing, in accordance with Subsection B of this
Section, concerning the program that includes a full narrative description, the
criteria for participation, a listing of the procedures and services subject to
selective application of prior authorization and the number of health care
providers participating in the program.

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

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

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

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.