

2023 Regular Session

SENATE BILL NO. 188

BY SENATORS STINE, ABRAHAM, ROBERT MILLS AND MORRIS AND REPRESENTATIVES ROBERT OWEN AND PRESSLY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

HEALTH/ACC INSURANCE. Provides for utilization review and approval procedures of claims for health care provider services. (gov sig)

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AN ACT

To enact R.S. 22:1020.62, relative to health insurance; to provide for utilization review; to provide definitions; to provide for documentation and reports; to require items and services subject to prior authorizations be posted on a health insurance issuer's website; to require applications and enrollment materials include a health insurance issuer's web address for any of its health coverage plans; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1020.62 is hereby enacted to read as follows:

§1020.62. Utilization review reports; definitions

A. For purposes of this Section, the following terms shall have the following meanings:

(1) "Health coverage plan" means any hospital, health, or medical expense insurance policy, hospital or medical service contract, employee welfare benefit plan, contract, or other agreement with a health maintenance organization or a preferred provider organization, health and accident insurance policy, or any other insurance contract of this type in this state,

1 including a group insurance plan or self-insurance plan and the office of group
2 benefits. "Health coverage plan" does not include a plan providing coverage for
3 excepted benefits defined in R.S. 22:1061, limited benefit health insurance plans,
4 short-term policies that have a term of less than twelve months or the office of
5 group benefits.

6 (2) "Health insurance issuer" means an entity subject to the insurance
7 laws and regulations of this state, or subject to the jurisdiction of the
8 commissioner, that contracts or offers to contract, or enters into an agreement
9 to provide, deliver, arrange for, pay for, or reimburse any of the costs of health
10 care services, including a sickness and accident insurance company, a health
11 maintenance organization, a preferred provider organization or any similar
12 entity, or any other entity providing a plan of health insurance or health
13 benefits. Health insurance issuer shall not include the office of group benefits.

14 (3) "Health care provider" or "provider" means a health care
15 professional or a health care facility or the agent or assignee of such
16 professional or facility.

17 (4) "Health care services" means services, items, supplies, or drugs for
18 the diagnosis, prevention, treatment, cure, or relief of a health condition, illness,
19 injury, or disease.

20 (5) "Prior authorization" means a determination by a health insurance
21 issuer, or person contracting with a health insurance issuer that health care
22 services ordered by the provider for an individual are medically necessary and
23 appropriate.

24 B.(1) A health insurance issuer on an annual basis and at a time and in
25 a manner determined by the commissioner, shall submit to the Louisiana
26 Department of Insurance, a report containing a quarterly breakdown of the
27 following information:

28 (a) A list of all items and services that require prior authorization.

29 (b) The percentage of standard prior authorization requests that were

1 approved, aggregated for all items and services.

2 (c) The percentage of standard prior authorization requests that were
3 denied, aggregated for all items and services.

4 (d) The percentage of standard prior authorization requests that were
5 approved after appeal, aggregated for all items and services.

6 (e) The percentage of prior authorization requests when the timeframe
7 for review was extended, and the prior authorization request was approved,
8 aggregated for all items and services.

9 (f) The percentage of expedited prior authorization requests that were
10 approved, aggregated for all items and services.

11 (g) The percentage of expedited prior authorization requests that were
12 denied, aggregated for all items and services.

13 (h) The average and median time that elapsed between the submission
14 of a request and a determination by the health insurance issuer, for standard
15 prior authorizations, aggregated for all items and services.

16 (i) The average and median time that elapsed between the submission of
17 a request and a decision by the health insurance issuer for expedited prior
18 authorizations, aggregated for all items and services.

19 (2) The commissioner shall submit an annual written report to the Senate
20 Committee on Insurance and the House Committee on Insurance that includes
21 the information submitted to the department in accordance with Subsection B
22 of this Section.

23 C.(1) A health insurance issuer shall annually publish on the health
24 insurance issuer's publicly available website a list of all items and services that
25 are subject to a prior authorization request according to each health coverage
26 plan. This list shall be published on the insurer's website prior to open
27 enrollment. If a health insurance issuer changes the list of items and services
28 that are subject to prior authorization, a health insurance issuer shall in a
29 timely manner, update its website to reflect the changes.

1 **(2) A health insurance issuer shall include a current web address on any**
 2 **application or enrollment materials that are distributed by each health coverage**
 3 **plan.**

4 **D. A health insurance issuer shall provide along with contract materials**
 5 **to any health care provider or supplier who seeks to participate under a health**
 6 **coverage plan, a list of all items and services that are subject to prior**
 7 **authorization under the health coverage plan, and any policies or procedures**
 8 **used by a health coverage plan for making determinations with regards to a**
 9 **prior authorization request.**

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

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Thomas L. Tyler.

DIGEST

SB 188 Original 2023 Regular Session Stine

Present law provides requirements for utilization review.

Proposed law retains present law but adds definitions for "health coverage plan", "health care provider", "health insurance issuer", "health care services", and "prior authorization". Excludes the office of group benefits from definition of "health insurance issuer".

Proposed law requires health insurance issuers to submit an annual report that provides a quarterly breakdown that includes the following:

- (1) List of all items and services that require prior authorization.
- (2) Percentage of standard prior authorizations that were approved, aggregated for all items and services.
- (3) Percentage of standard prior authorizations that were denied, aggregated for all items and services.
- (4) Percentage of standard prior authorization that were approved after appeal, aggregated for all items and services.
- (5) Percentage of prior authorization requests when the timeframe for review was extended, and the prior authorization requests were approved, aggregated for all items and services.

- (6) Percentage of expedited prior authorization requests that were approved, aggregated for all items and services.
- (7) Percentage of prior authorization requests that were denied, aggregated for all items and services.
- (8) An average and median time that elapsed for all standard prior authorization requests and the time between submitting a standard authorization request, and the time a determination was made by a health insurance issuer, aggregated for all items and services.
- (9) The average and median time for an expedited review regarding a prior authorization request and the time between submitting the expedited request and the time a decision was made by a health insurance issuer, aggregated for all items and services.

Proposed law requires the commissioner to submit an annual report that provides information regarding prior authorization practices on or before March 15th to the Senate and House Committees on Insurance.

Proposed law requires a health insurance issuer to annually publish a list of all items and services that are subject to prior authorization and include this information prior to open enrollment on its publicly available website, and to timely update any changes made to prior authorization requests.

Proposed law requires a health insurance issuer to include a web address on any application or enrollment materials that are distributed by a health coverage plan.

Proposed law requires a health insurance issuer to provide contract materials including items and services subject to prior authorization and any policy or procedures used to determine prior authorization to any provider or supplier who seeks to participate under a health coverage plan.

Effective upon signature of the governor or lapse or last of time for gubernatorial action.

(Adds R.S. 22:1020.62)