

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 468** HLS 23RS 602
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action: **w/ SEN COMM AMD**
 Proposed Amd.:
 Sub. Bill For.: **REVISED**

Date: May 25, 2023	3:16 PM	Author: PRESSLY
Dept./Agy.: Insurance and Office of Group Benefits		Analyst: Patrice Thomas
Subject: Utilization Review Standards		

INSURANCE/HEALTH RE1 NO IMPACT See Note Page 1 of 1
 Provides relative to utilization review standards and approval procedures for healthcare service claims submitted by healthcare providers

Proposed law requires a health insurance issuer that mandates a satisfactory utilization review as a condition of payment from a claim of a healthcare provider to maintain a documented prior authorization program that utilizes evidenced-based clinical review criteria. Proposed law authorizes a third-party utilization review entity, that meets the standards of a national accreditation organization, to perform utilization review. Proposed law authorizes a healthcare provider to submit a request for utilization review at any time, including outside normal business hours and requires a health insurance issuer to provide a unique confirmation number and provide written acknowledgment. Proposed law requires expedite utilization review determinations within two (2) business days from receipt and provides for determinations that are neither concurrent nor retrospective review; based on exigency; concurrent review; retrospective review; and adverse determinations. If the issuer fails to decide within the timeframes prescribed in proposed law, the issuer is prohibited from denying a claim based on a lack of prior authorization. Proposed law requires certification of prior authorization to remain valid for 3 months.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
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Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed law is not anticipated to have an impact on the expenditures within OGB. The Office of Group Benefits (OGB) reports the definition of "health insurance issuer" in the proposed law does not include OGB. Also, the LA Department of Insurance reports the proposed legislation is not anticipated to have an impact on health insurance policies issued under the health insurance exchanges/marketplace.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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Interim Deputy Fiscal Officer