E2SSB 5267 - H AMD **465** By Representative Cody

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ADOPTED 04/24/2013

Strike everything after the enacting clause and insert the 1 2 following:

- "NEW SECTION. **Sec. 1.** (1) A work group is formed to develop criteria to streamline the prior authorization process for prescription drugs, medical procedures, and medical tests, with the goal of simplification and uniformity.
- (2) The work group shall be cochaired by the chair of the senate health care committee and the chair of the house of representatives health care committee, and membership of the work group shall be determined by the cochairs, not to exceed eleven participants.
- 11 (3) The work group shall examine elements that may include the 12 following:
- (a) National standard transaction information, such as HIPAA 278 13 standards, for sending or receiving authorizations electronically; 14
- Standard transaction information and uniform prior 15 (b) 16 authorization forms;
 - (c) Clean, uniform, and readily accessible forms for prior authorization including determining the appropriate number of forms;
- 19 (d) A core set of common data requirements for nonclinical 20 information for prior authorization and electronic prescriptions, or 21 both;
- 22 (e) The prior authorization process, which considers electronic 23 forms and allows for flexibility for health insurance carriers to develop electronic forms; and 24
- 25 (f) Existing prior authorization forms by health insurance carriers 26 and by state agencies, in developing the uniform prior authorization 27 forms.
 - (4) The work group must:
- 29 (a) Establish timelines for urgent requests and timeliness for 30 nonurgent requests;

- 1 (b) Work on a receipt and missing information time frame;
- 2 (c) Determine time limits for a response of acknowledgment of receipts or requests of missing information;
 - (d) Establish when an authorization request will be deemed as granted when there is no response.
- 6 (5) The work group must submit their recommendations to the appropriate committees of the legislature by November 15, 2013.
 - (6) This section expires January 1, 2014.
- 9 <u>NEW SECTION.</u> **Sec. 2.** The insurance commissioner shall adopt rules 10 implementing only the recommendations of the work group established in 11 section 1 of this act. The rules must take effect no later than 12 January 1, 2015."
- 13 Correct the title.

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EFFECT: Clarifies that the recommendations of the work group apply only to health insurance carriers. Requires the Insurance Commissioner to adopt rules implementing only the recommendations of the work group. Requires the rules to take effect no later than January 1, 2015.

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