The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Carla S. Roberts.

## DIGEST 2022 Regular Session

SB 112 Original

Robert Mills

<u>Proposed law</u> created the Reducing Administrative Burdens in Health Insurance Act and provides for legislative intent and purpose.

<u>Proposed law</u> prohibits a health insurance issuer from denying a claim subsequently submitted for health care services which are specifically listed in a prior authorization of a claim unless certain criteria apply, except under certain limited circumstances such as fraud or a change in the patient's condition that negates the need for the medical procedure or treatment.

<u>Proposed law</u> requires health insurance issuers to conduct all eligibility and other medical policy coverage determinations for all services and procedures subject to prior authorization as part of the prior authorization process.

<u>Proposed law</u> creates an exemption for a certain healthcare provider who is designated as prior authorized health care provider. <u>Proposed law</u> defines a "prior authorized healthcare provider" as a healthcare provider that is no longer required to seek prior authorization for a particular procedure or treatment if the health insurance issuer has approved not less than 80% of the prior authorization requests submitted by the provider for the particular health care treatment to that health insurance issuer.

<u>Proposed law</u> provides for the duration of an exemption for a prior authorized healthcare provider and sets forth requirements that must be satisfied in order for the health insurance issuer to deny or rescind an exemption.

<u>Proposed law</u> provides for a time period and content requirements for the mandatory notice that must be given by the health insurance issuer in order to rescind the exemption granted to the prior authorized healthcare provider.

<u>Proposed law</u> allows a healthcare provider to seek a review of a denial or rescission of a prior authorization exemption conducted by an independent review organization as defined by <u>present law</u>.

<u>Proposed law</u> further provides that the health insurance issuer shall pay any fees associated with the independent review of the adverse determination and for the copies of any applicable records associated with the rescission of the exemption.

<u>Proposed law</u> prohibits a health insurance issuer from conducting a retrospective review of a healthcare service subject to an exemption except to determine if the prior authorized healthcare provider still qualifies for an exemption or if the health insurance issuer has a reasonable cause to suspect a basis for denial exists under the provisions of proposed law.

<u>Proposed law</u> provides for timelines and content of the notice that must be given to any provider qualifying for an exemption under the provisions of <u>proposed law</u>.

<u>Proposed law</u> provides that violations of <u>proposed law</u> are considered to be unfair methods of competition and unfair or deceptive acts or practices in the business of insurance and subject to the penalties under <u>present law</u>.

<u>Proposed law</u> provides that the Dept. of Insurance is to promulgate any rules that are necessary to implement and enforce the provisions of <u>proposed law</u>.

Effective August 1, 2022.

(Adds R.S. 22:1020.61 - 1020.73 and R.S. 22:1964(31))