
DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 424 Reengrossed

2019 Regular Session

Stagni

Abstract: Requires the provision of certain information for the denial of claims and prior authorization requests.

Proposed law defines the term "prior authorization" to mean any situation in which the La. Dept. of Health (LDH) or a managed care organization (MCO) does not fully approve of services or items being requested by a healthcare provider, including any situation in which a service or item other than the exact service or item requested is approved.

Proposed law provides that when claims are denied by the MCO based upon an opinion or interpretation by the MCO of a law, regulation, policy, procedure, or medical criteria or guideline, then the MCO shall provide with the remittance advice either instructions for accessing such source in the public domain or an actual copy of the law, regulation, policy, procedure, or medical criteria or guideline.

Proposed law provides that the prior authorization requirements of LDH and each MCO shall either be furnished to the provider within 24 hours of a request for the requirements or posted in an easily searchable format on the website of the respective MCO or the department.

Proposed law requires that if LDH or an MCO denies a prior authorization request, then LDH or the MCO shall provide written notice to the provider requesting the prior authorization of the denial within three business days of making the decision.

Proposed law provides that if the denial of the prior authorization by LDH or MCO is based upon an interpretation of a law, regulation, policy, procedure, or medical criteria or guideline, then the notice shall contain either instructions for accessing such source in the public domain or an actual copy of the law, regulation, policy, procedure, or medical criteria or guideline.

(Amends R.S. 46:460.71(C); Adds R.S. 46:460.51(15) and 460.74)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Harmonize provisions of proposed law relative to claim denials remitted to providers electronically with those relative to claim denials remitted to providers in paper format.

2. Revise proposed law relative to prior authorization requirements of the La. Department of Health and Medicaid managed care organizations to provide that such requirements shall either be furnished to the provider within 24 hours of a request for the requirements or posted in an easily searchable format on the website of the respective managed care organization or the department.