

**(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)**

INSURANCE/HEALTH. Requires health insurance coverage of prosthetic devices and prosthetic services.

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DIGEST

Proposed law requires that notwithstanding present law concerning a moratorium on mandates, any health coverage plan issued for delivery, delivered, renewed, or otherwise contracted for in this state on or after Jan. 1, 2009, provide coverage for prosthetic devices and prosthetic services. Provides that eligibility and limits for such coverage shall be determined by the health coverage plan based on medical necessity. Specifies that such determination shall consider information and recommendation from the treating physician in consultation with the insured, including the results of a functional limit test considering the insured's past history, current condition, and desire to ambulate.

Proposed law allows a plan to require prior authorization for prosthetic devices and services in the same manner that prior authorization is required for any other covered benefit. Authorizes a plan to impose co-payments or deductibles on prosthetic devices and prosthetic services and for repair and replacement of prosthetic devices, but requires that such amounts not be greater or more restrictive than the co-payments and deductibles that apply to other benefits under the plan, unless repair and replacement are necessitated by misuse or loss.

Proposed law requires a plan to include a requirement that prosthetic devices be provided by an accredited facility and that prosthetic services be prescribed by a licensed physician and provided by an accredited facility.

Proposed law requires that coverage of prosthetic devices be no more restrictive than the provisions of a health coverage plan that apply to other benefits. However, authorizes a health coverage plan to apply an annual limit of no less than \$50,000 per limb on such coverage. Further authorizes an insured to choose a prosthetic device that is priced higher than this benefit and to pay the difference between the price of the device and the benefit payable, without financial or contractual penalty to the provider of the device.

Proposed law defines "health coverage plan" as any hospital, health, or medical expense insurance policy, hospital or medical service contract, employee welfare benefit plan, contract or agreement with a health maintenance organization or a preferred provider organization, health and accident insurance policy, or any other insurance contract of this type, including a group insurance plan and the Office of Group Benefits programs.

Proposed law also defines "accredited facility" as any entity that is accredited by the American Board for Certification in Orthotics and Prosthetics, Inc., or by the Board for Orthotist/Prosthetist Certification and that provides prosthetic devices or prosthetic services. Further defines "accredited facility", "prosthetic devices", and "prosthetic services".

Proposed law specifies that it shall not apply to individually underwritten, guaranteed renewable limited benefit health insurance policies.

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

(Adds R.S. 22:215.26)

## Summary of Amendments Adopted by House

### Committee Amendments Proposed by House Committee on Insurance to the original bill.

1. Makes eligibility and limits of coverage determinable by the health coverage plan based on medical necessity.
2. Deletes requirement that a health coverage plan contain a provision that prosthetic devices be obtained from not less than two distinct accredited facilities in that plan's provider network.
3. Deletes provision prohibiting a health coverage plan from imposing any annual or lifetime dollar maximum. Instead authorizes a plan to apply an annual limit of no less than \$50,000 per limb; however, authorizes an insured to choose a prosthetic device that is priced higher and to pay the difference.

## Summary of Amendments Adopted by Senate

### Committee Amendments Proposed by Senate Committee on Insurance to the engrossed bill.

1. Clarifies proposed law as not subject to existing moratoriums on insurance mandates.