

1 H.102

2 Introduced by Representatives Rogers of Waterville and Houghton of Essex

3 Referred to Committee on

4 Date:

5 Subject: Health; health insurance; health care providers; prior authorization

6 Statement of purpose of bill as introduced: This bill proposes to specify that  
7 the prior authorization requirements that health insurance plans must eliminate  
8 annually after review include those for which the request approval rate is 97  
9 percent or higher. It would also modify the parameters of a prior authorization  
10 pilot program to specify that the program must be available to at least 30  
11 percent of the insurer's participating providers, at least 40 percent of whom  
12 must be primary care providers, and exempt those providers from prior  
13 authorization requirements for medical procedures, medical tests, pharmacy, or  
14 a combination.

15 An act relating to reducing prior authorization requirements in health  
16 insurance plans

17 It is hereby enacted by the General Assembly of the State of Vermont:

18 Sec. 1. 18 V.S.A. § 9418b is amended to read:

19 § 9418b. PRIOR AUTHORIZATION

20 \* \* \*

1 (h)(1) A health plan shall review the list of medical procedures and medical  
2 tests for which it requires prior authorization at least annually and shall  
3 eliminate the prior authorization requirements for those procedures and tests  
4 for which such a requirement is no longer justified or for which ~~requests are~~  
5 ~~routinely approved with such frequency as to demonstrate that the prior~~  
6 ~~authorization requirement does not promote health care quality or reduce~~  
7 ~~health care spending to a degree sufficient to justify the administrative costs to~~  
8 ~~the plan~~ the approval rate for prior authorization requests is 97 percent or  
9 higher.

10 \* \* \*

11 Sec. 2. 2020 Acts and Resolves No. 140, Sec. 11 is amended to read:

12 Sec. 11. PRIOR AUTHORIZATION; GOLD CARDING; PILOT  
13 PROGRAM; REPORTS

14 (a) On or before January 15, 2022, each health insurer with more than  
15 1,000 covered lives in this State for major medical health insurance shall  
16 implement a pilot program that automatically exempts ~~from or streamlines~~  
17 ~~certain prior authorization requirements for a subset of participating~~ at least 30  
18 percent of the insurer's participating health care providers, some of whom of  
19 which at least 40 percent shall be primary care providers, from the insurer's  
20 prior authorization requirements for medical procedures; medical tests,  
21 including imaging; or pharmacy; or a combination of these.

1 (b) Each insurer shall make available electronically, including on a publicly  
2 available website, details about its prior authorization exemption ~~or~~  
3 ~~streamlining~~ pilot program, including:

4 (1) ~~the medical procedures or tests that are exempt from or have~~  
5 ~~streamlined~~ whether the exemption from prior authorization requirements for  
6 providers who qualify for the program applies to medical procedures, medical  
7 tests, or pharmacy, or a combination of these;

8 (2) the criteria for a health care provider to qualify for the program;

9 (3) the number of health care providers who are eligible for the program,  
10 including their specialties and the percentage who are primary care providers;  
11 and

12 (4) whom to contact for questions about the program or about  
13 determining a health care provider's eligibility for the program.

14 (c) On or before January 15, 2023, each health insurer required to  
15 implement a prior authorization pilot program under this section shall report to  
16 the House Committee on Health Care, the Senate Committees on Health and  
17 Welfare and on Finance, and the Green Mountain Care Board:

18 (1) the results of the pilot program, including an analysis of the costs  
19 and savings;

20 (2) prospects for the health insurer continuing or expanding the  
21 program;

1           (3) feedback the health insurer received about the program from the  
2 health care provider community; and

3           (4) an assessment of the administrative costs to the health insurer of  
4 administering and implementing prior authorization requirements.

5 Sec. 3. EFFECTIVE DATE

6           This act shall take effect on passage.