

**No. 3. An act relating to claim edit standards and prior authorization requirements.**

(H.31)

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

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

§ 9418a. PROCESSING CLAIMS, DOWNCODING, AND ADHERENCE  
TO CODING RULES

\* \* \*

(c) Adherence to the edit standards in subsection (b) of this section is not required:

(1) when necessary to comply with State or federal laws, rules, regulations, or coverage mandates; ~~or~~

(2) for edits that the payer determines are more favorable to providers than the edit standards in subsection (b) of this section or to address new codes not yet incorporated by a payer's edit management software, provided the edit standards are:

(A) developed with input from the relevant Vermont provider community and national provider organizations;

(B) clearly supported by nationally recognized standards, guidelines, or conventions approved by the Commissioner of Financial Regulation; and

(C) available to providers on the plan's websites and in its newsletters or equivalent electronic communications; or

(3) when adjudicating claims for health care services that were delivered outside the State of Vermont, unless the payer and the out-of-state provider agree that one or more of the edit standards set forth in subsection (b) of this section will apply.

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Sec. 2. 18 V.S.A. § 9418b is amended to read:

§ 9418b. PRIOR AUTHORIZATION

\* \* \*

(c)(1)(A) Except as provided in subdivision (B) of this subdivision (1), a health plan shall not impose any prior authorization requirement for any admission, item, service, treatment, or procedure ordered by a primary care provider.

(B) The prohibition set forth in subdivision (A) of this subdivision (1) shall not be construed to prohibit prior authorization requirements for prescription drugs or for an admission, item, service, treatment, or procedure that is provided out-of-network.

(2) As used in this subsection, “primary care provider” ~~has the same meaning as is used by the Vermont Blueprint for Health~~ means a health care provider who is contracted and enrolled with the health plan as a primary care provider.

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Sec. 3. EFFECTIVE DATES

(a) Sec. 1 (18 V.S.A. § 9418a) shall take effect on January 1, 2026.

(b) Sec. 2 (18 V.S.A. § 9418b) shall take effect on passage and shall be implemented by all health plans as soon as reasonably practicable after that date, but in no event later than January 1, 2026.

(c) This section shall take effect on passage.

Date Governor signed bill: March 5, 2025