

WEST VIRGINIA LEGISLATURE

2018 REGULAR SESSION

Introduced

Senate Bill 442

FISCAL
NOTE

BY SENATORS TAKUBO, MARONEY, STOLLINGS,

WOELFEL, AND PLYMALE

[Introduced January 31, 2018; Referred
to the Committee on Health and Human Resources; and
then to the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
2 designated §33-4-22, relating to regulating prior authorizations; defining terms; providing
3 for electronically transmitted universal prior authorization forms; establishing procedures
4 for submission and acceptance of forms; and setting deadlines.

Be it enacted by the Legislature of West Virginia:

ARTICLE 4. GENERAL PROVISIONS.

§33-4-22. Prior authorization.

1 (a) The following terms are defined:

2 “Urgent care services” means a medical care or other service for a condition where
3 application of the timeframe for making routine or nonlife threatening care determinations is either
4 of the following:

5 Could seriously jeopardize the life, health, or safety of the patient or others due to the
6 patient's psychological state; or

7 In the opinion of a practitioner with knowledge of the patient's medical or behavioral
8 condition, would subject the patient to adverse health consequences without the care or treatment
9 that is the subject of the request.

10 (b) The Governor shall appoint a person who is knowledgeable in the creation of insurance
11 forms to lead a collaborative effort of the Public Employees Insurance Agency, managed care
12 organizations, and private commercial insurers to develop universal prior authorization forms
13 accessible through either a computer program, email, app, or secure electronic transmission. The
14 appointee is responsible for the organization of the participants and the creation of the forms
15 approved by the participants. The forms shall include instructions for the universal submission of
16 clinical documentation, and provide an electronic notification confirming receipt of the prior
17 authorization request. The forms shall be prepared by October 1, 2018. The group may develop
18 no more than eight forms differentiated by the type of service being requested.

19 (c) Public Employees Insurance Agency, managed care organizations, and private
20 commercial insurers, shall accept electronic prior authorization requests and respond to the
21 request through electronic means by July 1, 2019.

22 (d) If the health care practitioner submits the request for prior authorization electronically,
23 the insurer or plan shall respond to the prior authorization request within 24 hours calendar day
24 for urgent care services, or 168 hours for any prior approval request that is not for an urgent care
25 service, from the time on the electronic receipt of the prior authorization request.

26 (e) If information submitted is considered incomplete, the health care practitioner shall
27 provide the additional information requested within 72 hours from the time the request is received
28 by the practitioner or the prior authorization is deemed denied and a new request must be
29 submitted.

30 (f) The Public Employees Insurance Agency, managed care organizations, and private
31 commercial insurers shall make available on their web sites information about the policies,
32 contracts, or agreements offered that clearly identifies specific services, drugs, or devices to
33 which a prior authorization requirement exists.

34 (g) A prior authorization approved by a managed care organization is carried over to all
35 other managed care organizations for three months, if the services are provided within the state.

36 (h) The Public Employees Insurance Agency, managed care organizations, and private
37 commercial insurers shall use the Milliman standard to evaluate a prior authorization.

38 (i) Any provision of a contractual arrangement entered into between an insurer or plan and
39 a health care practitioner or beneficiary that is contrary to this section is unenforceable.

40 (j) This section is not applicable to submission of a prior authorization request through
41 telephone, mail, or fax.

NOTE: The purpose of this bill is to establish universal forms and establish deadlines when a prior authorization is submitted electronically.

Strike-throughs indicate language that would be stricken from a heading or the present law

and underscoring indicates new language that would be added.