

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: HB 1445

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Hope

3. Committee: Commerce and Labor

4. Title: Health insurance; coverage decisions, medically necessary services

5. Summary: The proposed legislation prohibits any health carrier from denying services as not medically necessary or requiring prior authorization for services to be considered covered services, using criteria that (i) relate to any financial benefit inuring to the health carrier; (ii) are not related to the appropriateness of the evaluation or treatment of a disease, condition, illness, or injury, taking into account the applicable standard of care and the medical needs of the insured; or (iii) are based on whether the services are performed in a particular class or type of setting or whether the allowable costs for the services are greater than the allowable costs that would be paid to another provider in a different class or type of setting for the same services. The measure also limits a health carrier's ability to deny emergency medical services as not medically necessary on the basis of a retrospective determination. The measure applies to policies, contracts, and plans delivered, issued for delivery, reissued, or extended on and after January 1, 2019, or at any time thereafter when any term of the policy, contract, or plan is changed or any premium adjustment is made.

6. Budget Amendment Necessary: No

7. No Fiscal Impact

8. Fiscal Implications: None

9. Specific Agency or Political Subdivisions Affected: None

10. Technical Amendment Necessary: No

11. Other Comments: None