

State Corporation Commission

2019 Fiscal Impact Statement

1. Bill Number: SB1607

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Dunnavant

3. Committee: Commerce and Labor

4. Title: Health insurance; carrier business practices; authorization of health care services.

5. Summary: Provides that if a carrier has previously authorized an invasive or surgical health care service as medically necessary and during the procedure the health care provider discovers clinical evidence prompting the provider to perform a less or more extensive or complicated procedure than was previously authorized, then the carrier shall pay the claim, provided that it is appropriately coded consistent with the procedure actually performed. The measure requires any provider contract between a carrier and a participating health care provider to contain certain specific provisions addressing how carriers interact with prior authorization requests. The measure clarifies that the 24-hour period during which a carrier must communicate to a prescriber if an urgent prior authorization request submitted telephonically or in an alternate method directed by the carrier has been approved, denied, or requires supplementation includes weekend hours. The bill provides that no prior authorization shall be required for substance abuse medication-assisted treatment or if the prescriber is using a clinical decision support system, defined as applications that analyze data to help providers make decisions and improve patient care.

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal Implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: The provision on Lines 237-238, Subsection B 11, is already required by §§ 32.1-137, 32.1-137.15 and 38.2-3558 of the Code of Virginia. If Subsection B 11 remains, the State Corporation Bureau of Insurance suggested to the patron that on Line 237, after the word “review” insert denial and then, on the same Line 237, after “appeals” strike “of denials.” This amendment would clarify that Subsection B 11 is not referring to denials by health care providers.

11. Other comments: None

Date: 01/27/19/V. Tompkins