ARKANSAS SENATE

91st General Assembly - Regular Session, 2017

Amendment Form

Subtitle of Senate Bill No. 665

TO CLARIFY CERTAIN PROVISIONS OF THE PRIOR AUTHORIZATION TRANSPARENCY ACT; AND TO DECLARE AN EMERGENCY.

Amendment No. 1 to Senate Bill No. 665

Amend Senate Bill No. 665 as originally introduced:

Delete the title in its entirety and substitute the following:
"AN ACT TO CLARIFY CERTAIN PROVISIONS OF THE PRIOR AUTHORIZATION TRANSPARENCY ACT; TO LIMIT RETROSPECTIVE DENIALS OF AUTHORIZED SERVICES; TO AUTHORIZE BENEFIT INQUIRIES; TO EXEMPT AUTHORIZED SERVICES FROM AUDIT RECOUPMENT; AND FOR OTHER PURPOSES."

AND

Delete the subtitle in its entirety and substitute the following:
"TO CLARIFY CERTAIN PROVISIONS OF THE
PRIOR AUTHORIZATION TRANSPARENCY ACT."

Page 1, line 29, delete "§ 23-99-1116." and substitute "§ 23-99-1116, except as provided for in § 23-99-1109(b)."

AND

Page 2, line 30, delete "the surgical" and substitute "the medically necessary surgical"

AND

Page 2, line 32, delete "purpose," and substitute "purpose, so long as the subsequent surgical procedure is a covered benefit under the healthcare plan, and"

AND

Page 3, line 10, delete "(7)" and substitute "(7)(A)"

AND

Page 3, delete line 12, and substitute the following:
"by a healthcare insurer in this state~~;~~.

(B) "Health benefit plan" does not include a plan that includes only dental benefits or eye and vision care benefits;"

AND

Page 3, delete line 17, and substitute the following:
"compensation plans or Medicaid~~;~~.

(C) "Healthcare insurer" does not include an entity that provides only dental benefits or eye and vision care benefits;"

AND

Page 6, line 27, delete "(3)" and substitute "(3)(A)"

AND

Page 6, line 33, delete "entity, both for an in-network provider and an out-" and substitute "entity"

AND

Page 6, line 34, delete "of-network provider,"

AND

Page 7, delete line 1, and substitute the following:
"information do not cause any delay to the healthcare provider.

(B) For out-of-network providers, a utilization review entity may meet the requirements of this subdivision (a)(3) by:

(i) Providing the healthcare provider with temporary electronic access in a timely manner to a secure site to review copyright-protected clinical criteria; or

(ii) Disclosing copyright-protected clinical criteria in a timely manner to a healthcare provider through other electronic or telephonic means."

AND

Page 8, line 20, delete "(b)" and substitute "(b)(1)"

AND

Page 8, delete lines 23 through 28, and substitute the following:
"restrict an authorization based upon medical necessity unless the utilization review entity notifies the healthcare provider at least three (3) business days before the scheduled date of the admission, service, procedure, or extension of stay.

(2) Notwithstanding subdivision (b)(1) of this section, a utilization review entity may rescind, limit, condition, or restrict an

authorization if:

(A) The subscriber was not covered by the health benefit plan and was not eligible to receive the requested service under the health benefit plan on the date of the admission, service, procedure, or extension of stay; and

(B) The utilization review entity has provided to the healthcare provider a means to confirm whether or not the subscriber is covered by the health benefit plan and eligible to receive the requested service up to the date of admission, service, procedure, or extension of stay."

AND

Page 8, line 30, delete "required and"

AND

Page 9, line 11, delete "State Insurance Department" and substitute "appropriate state or federal agency"

AND

Page 9, line 16, delete "(d)(1)" and substitute "(d)(1)(A)"

AND

Page 9, delete line 17, and substitute the following:
"strive to implement no later than July 1, 2018, a mechanism by which healthcare"

AND

Page 9, delete line 19, and substitute the following:
"system as an alternative to telephone-based prior authorization systems.

(B) The State Insurance Department may promulgate a rule mandating the implementation of a mechanism described in this subsection and defining the services to which this subsection applies."

AND

Page 9, delete line 27, and substitute the following:
"63-1801 et seq., except as provided for in subsection (b) of this section."

AND

Page 10, line 29, delete "(2)" and substitute "(2)(A)"

AND

Page 10, delete line 31, and substitute the following:
"physician in another appropriate specialty or by a pharmacologist.

(B) If a request is made under subdivision (c)(2)(A) of

this section, the reviewing physician or pharmacologist is not required to meet the requirements of subdivision (c)(1) of this section."

AND

Page 12, line 21, delete "(a)" and substitute "(a)(1)"

AND

Page 12, delete line 28, and substitute the following:
"if the healthcare service is provided to a specific subscriber.

(2)(A) The State Insurance Department shall issue a rule on or before January 1, 2018, that defines which benefits are subject to the requirements of this section.

(B) Until a rule is promulgated under subdivision (a)(2)(A) of this section, all benefit inquiries shall be processed according to this section."

AND

Page 13, delete lines 2 and 3, and substitute the following:
"(2) Responses to a benefit inquiry shall be provided in the same form and manner as responses to requests for prior authorization."

AND

Page 13, delete line 12, and substitute the following:
"1801 et seq., except as provided for in § 23-99-1109(b)."

AND

Page 14, line 8, delete "If" and substitute "(a) If"

AND

Page 14, delete line 14, and substitute the following:
"manager or utilization review entity.

(b) In order to ensure compliance with this section, if a healthcare insurer or utilization review entity changes its pharmacy benefits manager, the healthcare insurer or utilization review entity shall:

(1) Provide the new pharmacy benefits manager with adequate historical claims data to identify all subscribers who have been required to utilize step therapy and the results of that step therapy; or

(2) Require that the pharmacy benefits manager provide a mechanism for a point-of-sale override of a step therapy edit based on information from the prescriber or the pharmacist that step therapy for the same drug has previously been utilized.

(c) Notwithstanding subsection (a) of this section, a utilization review entity may require the utilization of step therapy when the same drug is prescribed if:

(1) A new drug has been introduced to treat the patient's condition or an existing drug has been approved for treatment of the

patient's condition since the step therapy was required; or

(2) The patient's medical or physical condition has changed substantially since the step therapy was required that makes the use of repeat step therapy appropriate.

(d) If a utilization review entity or healthcare insurer requires step therapy under subsection (c) of this section, the utilization review entity shall inform the prescriber of the clinical basis for the step therapy requirement."

AND

Page 14, line 29, delete "and"

AND

Page 14, delete line 31, and substitute the following:
"or board eligibility; and

(C) A list of states in which the reviewing physician is licensed and the license number issued to the reviewing physician by each state."

AND

Page 16, delete line 33, and substitute the following:
"implementation of the replacement or modification.

23-99-1118. Rules.

The State Insurance Department may promulgate rules for the implementation of this subchapter."

AND

Page 16, delete lines 35 and 36, and substitute the following:

"SECTION 13. EFFECTIVE DATE. This act is effective on and after August 1, 2017."

AND

Page 17, delete lines 1 through 16

The Amendment was read the first time, rules suspended and read the second time and _____
By: Senator Irvin
ANS/ANS - 03-16-2017 10:04:39
ANS311 _____ **Secretary**