FINAL BILL REPORT 2ESB 5887

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Synopsis as Enacted

Brief Description: Concerning health carrier requirements for prior authorization standards.

Sponsors: Senators Short, Keiser and Nguyen.

Senate Committee on Health & Long Term Care House Committee on Health Care & Wellness

Background: Prior authorization is a requirement that a health care provider obtain approval from a patient's insurance plan to prescribe a specific medication or treatment. Health carriers may impose different prior authorization standards and criteria for a covered service among tiers of contracting providers.

In 2018, the Legislature prohibited health carriers from requiring prior authorization for initial evaluation and management visits, and up to six consecutive treatment visits in a new episode of care of chiropractic, physical therapy, occupational therapy, east Asian medicine, massage therapy, and speech and hearing therapies that meet the standards of medical necessity and are subject to quantitative treatment limits of the health plan.

Summary: A health carrier or its contracted entity may not require utilization management or review of any kind, including but not limited to, prior, concurrent, or post-service authorization, for initial evaluation and management visits and up to six consecutive treatment visits for new episodes of care of chiropractic, physical therapy, occupational therapy, Eastern medicine, massage, or speech and hearing therapies. Visits for which prior authorization is prohibited are subject to quantitative treatment limits of the health plan.

For visits for which utilization management is prohibited, a health carrier or its contracted entity may not:

- deny or limit coverage on the basis of medical necessity or appropriateness; or
- retroactively deny care or refuse payment for the visits.

A health carrier is not prohibited from denying coverage based on insurance fraud.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Votes on Final Passage:

2019 Regular Session

Senate 45 2

House 95 0 (House amended)

(Senate refused to concur/asked House to recede)

(House insisted/asked Senate to concur)

2020 Regular Session

Senate 47 1

House 95 0 (House amended) Senate 48 0 (Senate concurred)

Effective: June 11, 2020

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