

**Bill Summary**  
2<sup>nd</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 1409</b>
<b>Version:</b>	<b>INT</b>
<b>Request No.:</b>	<b>3357</b>
<b>Author:</b>	<b>Sen. Taylor</b>
<b>Date:</b>	<b>01/19/2022</b>

**Bill Analysis**

SB 1409 authorizes health benefit plans that use a preauthorization process to exempt a physician or provider from obtaining preauthorization for any health care service if such service is proven to be medically necessary. Such an exemption shall be granted if the health benefit plan has approved or would have approved not less than 90% of the preauthorization requests submitted by the physician or provider for the health care service. Administrators of the plan must evaluate whether a physician or provider qualifies for an exemption from preauthorization requirements once every 6 months and shall post the requirements for obtaining the exemption on a publicly available website as well as updated list of health care providers who fall under the exemption. Providers granted the exemption must receive notification that they qualify no later than 5 business days after the determination. A health benefit plan may not reduce or deny payment to providers and physicians granted the exemption unless certain conditions outlined in the measure are met.

Administrators of the plan may only deny preauthorization exemptions if the health benefit plan provides the physician or provider with sufficient data for the relevant preauthorization request period that demonstrates that the physician or provider does not meet the criteria for the exemption. If a physician or provider is denied a preauthorization exemption, they shall be granted consideration during the next evaluation period. Rescinding an exemption may only occur during the months of January and June of each year using a retrospective review process outlined in the measure. The exemption shall remain in effect until 30 days after the exemption was rescinded if the physician or provider does not appeal. Physicians and providers shall be notified of the rescinded exemption no less than 25 days before the proposed rescission is to take effect. If the physician or provider appeals, the exemption shall remain in effect until the 5<sup>th</sup> day after the date that an independent review organization affirms the determination to rescind the exemption. Physicians and provider are granted the right to an independent review a determination to rescind. Such reviews shall be completed no later than 30 days after the date that a physician or provider files the request for a review. The health benefit plan shall pay for the independent review of a determination regarding the preauthorization exemption.

Prepared by: Kalen Taylor