

# HOUSE BILL No. 1357

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-1-43.

**Synopsis:** Uniform prior authorization form. Requires the department of insurance to develop a uniform prior authorization form for prescription drug coverage. Allows a prescribing provider to use, and requires an insurer or health maintenance organization that requires prior authorization of prescription drug coverage to accept, a completed uniform prior authorization form. Provides that if an insurer or health maintenance organization fails to accept the prior authorization form, or fails to respond within two business days after receiving the form, the request is considered to have been granted.

**Effective:** Upon passage.

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January 15, 2014, read first time and referred to Committee on Insurance.

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Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1357

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A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 27-1-43 IS ADDED TO THE INDIANA CODE AS  
2 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON  
3 PASSAGE]:

4 **Chapter 43. Uniform Prior Authorization Form**  
5 **Sec. 1. The definitions set forth in IC 27-13-1 apply throughout**  
6 **this chapter.**

7 **Sec. 2. As used in this chapter, "insurer" refers to an insurer**  
8 **that issues a policy of accident and sickness insurance.**

9 **Sec. 3. As used in this chapter, "policy of accident and sickness**  
10 **insurance" has the meaning set forth in IC 27-8-5-1.**

11 **Sec. 4. (a) Not later than December 1, 2014, the department shall**  
12 **develop a uniform prior authorization form for use by a**  
13 **prescribing provider to obtain from an insurer or a health**  
14 **maintenance organization prior authorization for coverage of a**  
15 **prescription drug under a policy of accident and sickness**  
16 **insurance, an individual contract, or a group contract.**



1           **(b) The department shall do the following in developing the**  
 2 **uniform prior authorization form under this section:**

3           **(1) Hold at least one (1) public hearing at which interested**  
 4 **parties may provide considerations for development of the**  
 5 **form.**

6           **(2) Consider the following:**

7                   **(A) Medicaid prior authorization forms established by the**  
 8 **federal Centers for Medicare and Medicaid Services and**  
 9 **the office of Medicaid policy and planning.**

10                   **(B) National standards related to electronic prior**  
 11 **authorization.**

12           **(c) The uniform prior authorization form developed under this**  
 13 **section must:**

14                   **(1) not exceed two (2) pages;**

15                   **(2) be available electronically from the department, insurers,**  
 16 **and health maintenance organizations; and**

17                   **(3) be formatted in a manner that allows for the form to be**  
 18 **electronically submitted by a provider to an insurer or a**  
 19 **health maintenance organization.**

20 **Sec. 5. Beginning July 1, 2015, the following apply:**

21           **(1) A provider that requests prior authorization for coverage**  
 22 **of a prescription drug under a policy of accident and sickness**  
 23 **insurance, an individual contract, or a group contract shall:**

24                   **(A) complete the uniform prior authorization form**  
 25 **developed under section 4 of this chapter with the required**  
 26 **information, as specified on the form; and**

27                   **(B) submit the completed uniform prior authorization**  
 28 **form to the applicable insurer or health maintenance**  
 29 **organization.**

30           **(2) An insurer that requires prior authorization for coverage**  
 31 **of a prescription drug under a policy of accident and sickness**  
 32 **insurance shall accept from a prescribing provider a**  
 33 **completed uniform prior authorization form submitted under**  
 34 **subdivision (1) as sufficient for a prior authorization**  
 35 **determination by the insurer.**

36           **(3) A health maintenance organization that requires prior**  
 37 **authorization for coverage of a prescription drug under an**  
 38 **individual contract or a group contract shall accept from a**  
 39 **prescribing provider a completed uniform prior authorization**  
 40 **form submitted under subdivision (1) as sufficient for a prior**  
 41 **authorization determination by the health maintenance**  
 42 **organization.**



1           **Sec. 6. If an insurer or a health maintenance organization fails**  
2 **to:**  
3           **(1) accept a completed uniform prior authorization form as**  
4           **required by section 5 of this chapter; or**  
5           **(2) respond to the prescribing provider with a determination**  
6           **within two (2) business days after receiving the completed**  
7           **prior authorization form;**  
8 **the requested prior authorization is considered to have been**  
9 **granted.**  
10          **SECTION 2. An emergency is declared for this act.**

