

**An Act to improve the Health Insurance Prior Authorization Process
HB 1200 / SB637**

Lead Sponsors: Rep. Jon Santiago and Sen. Jo Comerford

Background

Health plans routinely require patients to obtain pre-approval, also known as prior authorization, for a prescribed health service or medication as a way to control costs and oversee coverage decisions. Obtaining prior authorizations can be difficult for consumers and providers due to the different forms and processes each health plan uses. Steps can be taken to simplify the prior authorization process to provide timely, safe and affordable access to evidence-based care.

Why is legislation needed?

- Prior authorization requirements can [prevent patients from receiving timely care](#).
- Prior authorizations often must be repeated or submitted differently for each health plan.
- Administrative complexity takes clinician time and attention away from patient care.
- There is health plan inconsistency as to which services require prior authorizations and under which circumstances.

Why is this a health equity issue?

- [Almost 70% of Black and Latino](#) Massachusetts residents stated that improving access to health care was a top priority for them in a poll by MassINC Polling Group.
- Communities of Color have higher [rates of chronic diseases](#). Better chronic disease management by reducing administrative barriers to health care services can result in better outcomes.

What does this legislation do?

- *Reform health plan prior authorization processes by:*
 - Prohibiting plans from modifying or rescinding prior authorizations issued unless inaccurate information is provided
 - Improving transparency about prior authorization policies in communications to providers and consumers
- *Create a committee, chaired by the Division of Insurance, to develop recommendations related to:*
 - Promoting consistency in prior authorization policies and processes across health plans
 - Establishing common time frames for the length of prior authorizations
 - Ensuring active prior authorizations are continued when people transition to a new health plan
 - Prohibiting prior authorizations for certain services that would improve chronic disease management
 - Eliminating prior authorization requirements for prescription drugs and services that have low variation in utilization across providers or low denial rates
 - Overseeing the transition to electronic standardized prior authorization forms
- *Report on the progress of adoption of statewide standard forms. Analysis will be led by the Health Policy Commission*

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