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3 Councilmember Marion Barry

Councilmember Yvette M. Alexander

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7 Councilmember Kenyan McDuffie

Councilmember Mary Cheh

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12 A BILL

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14 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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18 To amend the Uniform Health Insurance Claims Form Act of 1995 to require the Department of
19 Insurance, Securities and Banking to develop an electronic prior authorization form for
20 use by every health care service plan and health insurer that provides medical services or
21 prescription drug benefits; to require every prescribing provider, as defined, when
22 requesting electronic prior authorization for medical services or prescription drug
23 benefits, to submit the electronic prior authorization form to the health care service plan
24 or health insurer, and require those plans and insurers to utilize and accept those
25 electronic prior authorization forms for medical services or prescription drug benefits.

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28 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

29 That this act may be cited as, the “Uniform Electronic Prior Authorization Form Amendment Act
30 of 2013”.

31 Sec. 2. The Uniform Health Insurance Claim Forms Act of 1995, effective February 27,
32 1996 (D.C. Law 11-89, D.C. Code § 31-3201), is amended as follows:

33 (a) A new section 2a (D.C. Code § 31-3202) is added to read as follows:

34 “Sec. 2a. Electronic Prior Authorization Form.

1 “(a)(1)Notwithstanding any other provision of law, on and after October 1, 2013, a health
2 care service plan that provides medical services or prescription drug benefits shall accept only
3 the electronic prior authorization form developed by the Department of Insurance, Securities, and
4 Banking pursuant to subsection (c) of this section when requiring prior authorization for medical
5 services or prescription drug benefits.

6 “(2) This section does not apply to a physician or physician group that has been
7 delegated the financial risk for prescription drugs by a health care service plan and does not use a
8 prior authorization process.

9 (3) This section does not apply to a health care service plan, or to its affiliated
10 providers, if the health care service plan owns and operates its pharmacies and does not use a
11 prior authorization process for medical services or prescription drugs.

12 (4) This section does not apply to a group model health maintenance organization
13 which contracts with one multispecialty group of physicians who are employed by or are
14 shareholders of the group and that provides or arranges for the provision of physician services to
15 patients at medical facilities operated by the health maintenance organization.

16 (b) If a health care service plan fails to utilize or accept the electronic prior authorization
17 form, or fails to respond within three business days following the receipt of a completed
18 electronic prior authorization request form from a prescribing provider, pursuant to the
19 submission of the prior authorization form developed as described in subsection (c) of this
20 section, the prior authorization request shall be deemed to have been granted.

21 (c) By July 1, 2013, the Department of Insurance, Securities, and Banking shall develop a
22 uniform electronic prior authorization form. Notwithstanding any other provision of law, on and
23 after October 1, 2013, or six months after the form is developed, whichever is later, every

1 prescribing provider shall use that uniform electronic prior authorization form to request prior
2 authorization for coverage of medical services or prescription drug benefits and every health care
3 service plan shall accept that form as sufficient to request prior authorization for medical services
4 or prescription drug benefits.

5 (d) The prior electronic authorization form developed pursuant to subdivision (c) of this
6 section shall meet the following criteria:

7 (1) The form shall not exceed two pages.

8 (2) The form shall be made available electronically by the Department of
9 Insurance, Securities, and Banking and the health care service plan.

10 (3) The completed shall be electronically submitted by the prescribing provider to
11 the health care service plan.

12 (4) The Department of Insurance, Securities, and Banking shall develop the form
13 with input from at least one public meeting.

14 (5) The Department of Insurance, Securities, and Banking, in development of
15 the standardized form, shall take into consideration the following:

16 (A) Existing prior authorization forms established by the federal Centers
17 for Medicare and Medicaid Services and the Department of Health Care Finance.

18 (B) National standards pertaining to electronic prior authorization.

19 (e) For the purposes of this section, the term:

20 (1) "Health care service" means a health or medical care procedure or service rendered
21 by a health care provider that:

22 (A) Provides testing, diagnosis, or treatment of a human disease or
23 dysfunction; or

24 (B) Dispenses drugs, medical devices, medical appliances, or medical

1 goods for the treatment of a human disease or dysfunction.

2 (2) "Prescribing provider" means a provider authorized to write a prescription,
3 pursuant to subdivision (a) of Section 4040 of the Business and Professions Code, to treat a
4 medical condition of an enrollee.

5 Sec. 3. Fiscal Impact Statement.

6 The Council adopts the fiscal impact statement from the Chief Financial Officer as the
7 fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule
8 Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

9 Sec. 4. Effective date.

10 This Act shall take effect following approval by the Mayor (or in the event of veto by the
11 Mayor, action by the Council to override the veto), a 30-day period of Congressional review as
12 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
13 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of
14 Columbia Register.

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