

**House Study Bill 148 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
HUMAN RESOURCES BILL BY  
CHAIRPERSON MILLER)

**A BILL FOR**

1 An Act requiring the development and use of a standard form for  
2 prior authorization of prescription drug benefits.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 505.26 Prior authorization for  
2 prescription drug benefits — standard form.

3 1. The commissioner shall develop, by rule, a standard prior  
4 authorization form for use by health carriers that require  
5 prior authorization for prescription drug benefits pursuant to  
6 a health benefit plan, by January 1, 2014.

7 2. Prior to development of the standard prior authorization  
8 form, the commissioner shall hold at least one public hearing  
9 to gather input in developing the standard form from interested  
10 parties.

11 3. The standard prior authorization form shall meet all of  
12 the following requirements:

13 a. Not exceed two pages in length.

14 b. Be available in an electronic format.

15 c. Be transmissible in an electronic format.

16 4. Health carriers shall use and accept the standard prior  
17 authorization form beginning on July 1, 2014. Health care  
18 providers shall use and submit the standard prior authorization  
19 form, when prior authorization is required by a health benefit  
20 plan, beginning on July 1, 2014.

21 5. If a health carrier fails to use or accept the standard  
22 prior authorization form or to respond to a health care  
23 provider request for prior authorization of prescription drug  
24 benefits within forty-eight hours of the health care provider's  
25 submission of the form, the request for prior authorization  
26 shall be considered to be approved.

27 6. As used in this section:

28 a. "*Facility*" means an institution providing health care  
29 services or a health care setting, including but not limited  
30 to hospitals and other licensed inpatient centers, ambulatory  
31 surgical or treatment centers, skilled nursing centers,  
32 residential treatment centers, diagnostic, laboratory, and  
33 imaging centers, and rehabilitation and other therapeutic  
34 health settings.

35 b. "*Health benefit plan*" means a policy, contract,

1 certificate, or agreement offered or issued by a health carrier  
2 to provide, deliver, arrange for, pay for, or reimburse any of  
3 the costs of health care services.

4 *c. "Health care professional"* means a physician or other  
5 health care practitioner licensed, accredited, registered, or  
6 certified to perform specified health care services consistent  
7 with state law.

8 *d. "Health care provider" or "provider"* means a health care  
9 professional or a facility.

10 *e. "Health care services"* means services for the diagnosis,  
11 prevention, treatment, cure, or relief of a health condition,  
12 illness, injury, or disease.

13 *f. "Health carrier"* means an entity subject to the  
14 insurance laws and regulations of this state, or subject  
15 to the jurisdiction of the commissioner, including an  
16 insurance company offering sickness and accident plans, a  
17 health maintenance organization, a nonprofit health service  
18 corporation, a plan established pursuant to chapter 509A  
19 for public employees, or any other entity providing a plan  
20 of health insurance, health care benefits, or health care  
21 services. *"Health carrier"* includes, for purposes of this  
22 section, an organized delivery system.

23

EXPLANATION

24 This bill requires the development and use of a standard form  
25 to obtain prior authorization for prescription drug benefits  
26 under a health benefit plan.

27 The bill requires the commissioner of insurance to develop,  
28 by rule, a standard form by January 1, 2014. Before developing  
29 the form, the commissioner is required to hold at least one  
30 public hearing to obtain input from interested parties on the  
31 form. The form must not exceed two pages in length and must be  
32 available and transmissible in an electronic format.

33 Health carriers are required to use and accept the standard  
34 prior authorization form, and health care providers are  
35 required to use and submit the form, beginning on July 1, 2014.

H.F. \_\_\_\_\_

1 If a health carrier fails to use or accept the standard form  
2 or to respond to a health care provider's request for prior  
3 authorization of prescription drug benefits within 48 hours of  
4 the provider's submission of the form, the request shall be  
5 considered to be granted.