

HB 3134 A STAFF MEASURE SUMMARY

Carrier: Sen. Patterson

Senate Committee On Health Care

Action Date: 05/20/25

Action: Do pass the A-Eng bill.

Vote: 5-0-0-0

Yeas: 5 - Campos, Hayden, Linthicum, Patterson, Reynolds

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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Meeting Dates: 5/13, 5/20

WHAT THE MEASURE DOES:

The measure requires health insurers to report certain data on prior authorizations and changes to the permitted use of prior authorization (PA) in certain circumstances.

Detailed Summary

- Requires insurers to annually submit specified PA data and information to the Department of Consumer and Business Services (DCBS); requires DCBS to publish information in a format that identifies insurers to the department's website by March 1 of each year.
- Defines "expedited prior authorization request" and "standard prior authorization request."
- Prohibits insurers and health care service contractors that require PA for surgical procedures from requiring additional PA for an additional or related procedure identified during surgery if the provider determines delay would not be medically advisable, the additional procedure is covered by the patient's insurance, and the additional procedure is not experimental or investigational.
- Requires insurers and health care service contractors to use a PA application programming interface that complies with federal requirements and rules, and enables a provider to determine whether PA is required, identify the information and documentation necessary to submit the PA request, and uses secure electronic transmission. Requires insurers to respond to a PA request made through the programming interface via the same interface.
- Becomes operative January 1, 2027.

ISSUES DISCUSSED:

- Transparency of prior authorization practices.
- Provisions of the measure.

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Prior authorization refers to the process by which a health insurance plan requires a health care provider to obtain approval prior to performing a service or prescribing a medication. Proponents of prior authorization requirements note that they can help ensure services are necessary and being provided in a cost-effective manner. Critics of prior authorization indicate that the requirements can hinder patients' access to necessary care and add to the administrative burden for both providers and patients.

House Bill 3134 A requires insurers to report on prior authorizations and changes to the permitted use of prior authorization by health insurers in certain circumstances.