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**SECOND SUBSTITUTE SENATE BILL 5267**

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**State of Washington**

**63rd Legislature**

**2013 Regular Session**

**By Senate Ways & Means** (originally sponsored by Senators Becker, Keiser, Conway, Ericksen, Bailey, Dammeier, Frockt, and Schlicher)

READ FIRST TIME 03/01/13.

1       AN ACT Relating to developing standardized prior authorization for  
2 medical and pharmacy management; and amending RCW 48.165.050.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4       **Sec. 1.** RCW 48.165.050 and 2009 c 298 s 10 are each amended to  
5 read as follows:

6       (1) By December 31, 2010, the lead organization shall:

7       (a) Develop and promote widespread adoption by payors and providers  
8 of guidelines to:

9       (i) Ensure payors do not automatically deny claims for services  
10 when extenuating circumstances make it impossible for the provider to:

11 (A) Obtain a preauthorization before services are performed; or (B)  
12 notify a payor within twenty-four hours of a patient's admission; and

13       (ii) Require payors to use common and consistent time frames when  
14 responding to provider requests for medical management approvals.  
15 Whenever possible, such time frames shall be consistent with those  
16 established by leading national organizations and be based upon the  
17 acuity of the patient's need for care or treatment;

18       (b) Develop, maintain, and promote widespread adoption of a single

1 common web site where providers can obtain payors' preauthorization,  
2 benefits advisory, and preadmission requirements;

3 (c) Establish guidelines for payors to develop and maintain a web  
4 site that providers can employ to:

5 (i) Request a preauthorization, including a prospective clinical  
6 necessity review;

7 (ii) Receive an authorization number; and

8 (iii) Transmit an admission notification.

9 (2) By October 31, 2010, the lead organization shall propose to the  
10 commissioner a set of goals and work plan for the development of  
11 medical management protocols, including whether to develop evidence-  
12 based medical management practices addressing specific clinical  
13 conditions and make its recommendation to the commissioner, who shall  
14 report the lead organization's findings and recommendations to the  
15 legislature.

16 (3) By December 31, 2013, the lead organization and the work group  
17 convened by the lead organization shall present to the executive  
18 oversight committee a plan for the implementation of a uniform  
19 electronic prior authorization form or electronic process for  
20 prescription drug benefits. The executive oversight committee shall  
21 review the plan and form and determine if the form or process meets the  
22 criteria required in this section. Carriers may submit an electronic  
23 prior authorization form already in use or in development to the work  
24 group for its consideration. If the executive oversight committee  
25 determines that the criteria for the form or process have been met,  
26 then the uniform electronic prior authorization process and form shall  
27 be developed and released by the work group convened by the lead  
28 organization for use by payors. Payors must implement the form and  
29 process no later than January 1, 2015.

30 (a) The form or process presented by the work group convened by the  
31 lead organization shall contain the following elements:

32 (i) Be capable of being electronically accepted by the payor after  
33 being completed;

34 (ii) Be able to be submitted in real time;

35 (iii) Have the option of prepopulating certain data fields with  
36 medication information once the drug is selected;

37 (iv) Be capable of attaching supporting documentation, chart notes,  
38 and files to the electronic form;

1 (v) After submitting the form, the provider shall receive an  
2 acknowledgment of receipt, which includes carrier contact information  
3 for addressing concerns related to the prior authorization form; and

4 (vi) The form or process shall include the following standard data  
5 fields, as necessary: Member information; prescribing provider  
6 information; requested medication, strength, and dosing schedule;  
7 diagnosis related to use; prior medications tried; and supporting  
8 clinical information.

9 (b) The form developed by the work group shall be developed in  
10 consultation with health care providers licensed under chapter 18.71 or  
11 18.57 RCW who are board certified and recommended by the Washington  
12 state medical association, and a health care provider licensed under  
13 chapter 18.64 RCW.

14 (c) If the lead organization does not present a plan and form that  
15 meets the criteria required in this section by December 31, 2013, the  
16 commissioner shall establish a uniform electronic prior authorization  
17 process that meets the criteria by no later than January 1, 2015.

18 (d) There must be a defined response time for prior authorization  
19 approval or denial as set forth under WAC 284-43-410(6). No response  
20 within the given time frame deems the prior authorization approved.

21 (e) A carrier or third-party entity acting on its behalf must be  
22 exempted from the requirements of this section if the executive  
23 oversight committee convened by the commissioner finds the carrier or  
24 third-party entity has implemented an electronic prior authorization  
25 form for prescription drugs by December 31, 2015, that meets the  
26 criteria in (a) of this subsection.

27 (f) The provisions of this subsection (3) do not apply to  
28 industrial insurance benefits provided under Title 51 RCW or to victims  
29 of crimes benefits provided under chapter 7.68 RCW.

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