

HOUSE No. 2061

The Commonwealth of Massachusetts

PRESENTED BY:

Bradley H. Jones, Jr.

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to administrative simplification.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | DATE ADDED: |
|-------------------------------|-----------------------|------------------|
| <i>Bradley H. Jones, Jr.</i> | <i>20th Middlesex</i> | <i>1/20/2011</i> |
| <i>Donald F. Humason, Jr.</i> | <i>4th Hampden</i> | <i>1/27/2011</i> |
| <i>Elizabeth A. Poirier</i> | <i>14th Bristol</i> | <i>2/2/2011</i> |
| <i>F. Jay Barrows</i> | <i>1st Bristol</i> | <i>2/2/2011</i> |
| <i>Shaunna O'Connell</i> | <i>3rd Bristol</i> | <i>2/2/2011</i> |
| <i>Donald H. Wong</i> | <i>9th Essex</i> | <i>2/3/2011</i> |
| <i>Todd M. Smola</i> | <i>1st Hampden</i> | <i>2/3/2011</i> |
| <i>Sheila C. Harrington</i> | <i>1st Middlesex</i> | <i>2/4/2011</i> |
| <i>Steven L. Levy</i> | <i>4th Middlesex</i> | <i>2/4/2011</i> |
| <i>Paul K. Frost</i> | <i>7th Worcester</i> | <i>2/4/2011</i> |

HOUSE No. 2061

By Mr. Jones of North Reading, a petition (accompanied by bill, House, No. 2061) of Bradley H. Jones, Jr. and others relative to determinations of medical necessity by insurance carriers or utilization review organizations. Financial Services.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act relative to administrative simplification.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 12 of Chapter 176O of the General Laws, as appearing in the 2008
2 Official Edition, is hereby amended by striking out subsections (b) and (c) and inserting in place
3 thereof the following subsections:-- (b) A carrier or utilization review organization shall make a
4 determination regarding the medical necessity of a proposed admission, procedure or service that
5 requires a determination within two working days of obtaining all necessary information. For
6 purposes of this section, "necessary information" shall include the results of any face-to-face
7 clinical evaluation or second opinion that may be required. In the case of a determination to
8 approve an admission, procedure or service, the carrier or utilization review organization shall
9 notify 14 the provider rendering or requesting the service within 24 hours. In the case of an
10 adverse determination, the carrier or utilization review 16 organization shall notify the provider
11 rendering or requesting the service within 24 hours, and shall provide written or electronic
12 confirmation of the notification to the insured and the provider within one working day
13 thereafter. (c) A carrier or utilization review organization shall make a concurrent review

determination within one working day of obtaining all necessary information. In the case of a determination to approve an extended stay or additional services, the carrier or utilization review organization shall notify the provider rendering or requesting the service within one working day.

In the case of an adverse determination, the carrier or utilization review organization shall notify the provider rendering or requesting the service within 24 hours and shall provide written or electronic notification to the insured and the provider within one working day thereafter. The service shall be continued without liability to the insured until the insured has been notified of the determination.

SECTION 2. Subsection (a) of Section 6 of Chapter 176O of the General Laws, as so appearing in the 2008 Official Edition, is hereby amended by striking out clause (2) thereof.