

July 7, 2015

Mike Kreidler,
Washington State Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

Dear Commissioner Kreidler,

Thank you for the opportunity to comment on the proposed WAC language related to the implementation of ESSB 6511 (2014). The sections below reflect the consensus comments from the Pharmacy Caucus of the OneHealthPort Pre-Authorization Work Group that prepared the original ESSB 6511 recommendations originally submitted to your office last fall. This group of subject matter experts has carefully reviewed the proposed language and has the following comments. In each case we list the proposed language from the OIC, our comments and our proposed revisions to the language.

1) WAC 284-43-420 Drug Utilization Review – Generally Section 5 b

(b) Notification of the prior authorization determination must be provided as follows:

(i) Information about whether a request was approved must be made available to the provider.

(ii) Whenever there is an adverse determination resulting in a denial the carrier must notify the requesting provider by one or more of the following methods; phone, fax and/or secure electronic notification, and the covered person in writing or via secure electronic notification. Status information will be communicated to the billing pharmacy, via electronic transaction, upon the carrier's receipt of a claim after the request has been denied. The carrier must transmit these notifications within the timeframes specified in subsections (5)(a)(i) and (5)(a)(ii) of this section in compliance with United States Department of Labor standards.

Comment:

Pre-authorization requests are typically made by the prescriber and the authorization number is sent to the prescriber. The billing pharmacy rarely, if ever, receives the authorization number. So that the pharmacy does not need to track down the prescriber in order to get the authorization number in order to put it on a claim for a medication that has been pre-authorized, the best practice recommendation from the workgroup states "if the health plan requires an authorization number to be transmitted on the claim, the billing pharmacy must be notified of that information by the health plan upon their receipt of a claim after the request has been approved." This recommendation should be included in the WAC.

Recommended language:

(b) Notification of the prior authorization determination must be provided as follows:

(i) Information about whether a request was approved must be made available to the provider.

(ii) If the issuer requires an authorization number to be transmitted on the claim, the billing pharmacy must be notified of that information by the issuer upon their receipt of a claim after the request has been approved.

(iii) Whenever there is an adverse determination resulting in a denial the carrier must notify the requesting provider by one or more of the following methods; phone, fax and/or secure electronic notification, and the covered person in writing or via secure electronic notification. Status information will be communicated to the billing pharmacy, via electronic transaction, upon the carrier's receipt of a claim after the request has been denied. The carrier must transmit these notifications within the timeframes specified in subsections (5)(a)(i) and (5)(a)(ii) of this section in compliance with United States Department of Labor standards.

2) WAC 284-43-325 Pharmacy claims – Rejections, notifications and disclosures.

Introduction

Issuers must provide to submitting pharmacies sufficient information in order to facilitate the processing of prior authorization requests. This includes instances where insufficient information has been submitted by a provider for an issuer to make a decision on a prior authorization request

Comment:

Per the workgroup discussion and the resulting BPR and WAC recommendation, sufficient information to facilitate the processing of a prior authorization request only needs to be provided by the issuer to the organization that is requesting the pre-authorization. In the vast majority of cases, only prescribers, and not pharmacists, have the responsibility for obtaining a pre-authorization. As such, issuers only need to provide sufficient information to the pharmacist when the issuer allows the pharmacist to make the prior authorizations request AND the pharmacist requests the prior authorization.

Recommended language:

In those situations when the issuer approves the pharmacist to make prior authorizations requests, issuers must provide to submitting pharmacies sufficient information in order to facilitate the processing of prior authorization requests. ~~This includes instances where insufficient information has been submitted by a provider for an issuer to make a decision on a prior authorization request~~

Section 3 & 5

(3) Every issuer must notify its participating pharmacies of its claim process in its contracts;

(5) In every provider agreement, the issuer must disclose if the provider or pharmacy has the right to make a prior authorization re-quest.

Comment:

The workgroup did not discuss either of the above nor make WAC recommendations pertaining to either one. Redrafting new contracts with every pharmacy to include this language, if it does not already exist, will be costly and time consuming for issuers and pharmacists and is likely to raise questions by pharmacists about the reason for new contracts and the concern that pricing and other conditions may be changing.

Recommended language:

Upon execution of new contracts between issuer and pharmacy:

(3) Every issuer must notify its participating pharmacies of its claim process in its contracts;

(5) In every provider agreement, the issuer must disclose if the provider or pharmacy has the right to make a prior authorization re-quest.

Section 8 a

(a) The inclusionary and exclusionary list of medications provided for emergency fill by issuers. This list must be posted online on the issuer's website and a common website dedicated to administrative simplification and available to the public, such as OneHealthPort.

Comment:

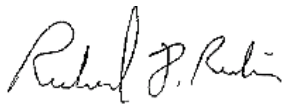
Posting the list of medications on a single site and every health plan site is problematic from a data management standpoint, as it is difficult to ensure that all websites are aligned if/as the information changes. Different information on different sites will create confusion. The workgroup specifically discussed this issue and recommends posting on one site. The health plan's site can link to the common site.

Recommended language:

(a) The inclusionary and exclusionary list of medications provided for emergency fill by issuers. This list must be posted online on a common website dedicated to administrative simplification and available to the public, such as OneHealthPort, and the issuer's website must link to this site.

Please feel free to contact me if you have any questions on the Work Group's comments. Thank you for your consideration of our recommended changes.

Sincerely yours:



Richard D. Rubin
President and CEO

Cc: Jim Freeburg
Stacy Middleton
Bill Campbell