

HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	House File 303	House Committee:	PASSED 2/6/25 (23-0)
Committee:	Commerce	House Floor:	PASSED 2/20/25 (92-0)
Floor Manager:	Rep. Carter Nordman	Senate Floor:	PASSED 4/16/25 (47-0)
Date:	April 22, 2025	Governor:	
Staff:	Natalie Ginty (5-2063)		

Prior Authorizations in Health Care

- This bill sets up timelines for response from health insurers on prior authorizations, requires insurers to review health care services that require prior auth, requires a prior auth exemption program with each health insurer and a report submitted to the Insurance Division on the effectiveness of their program.

Section by Section Analysis

Section 1 (Iowa Code 514F.8) – New Section

Requires utilization review organizations to respond to a request for prior authorization from a health care provider:

- Within 48 hours of an urgent request
- Within 10 days of a nonurgent request
- Within 15 days of a nonurgent, complex/unique situation, or when experiencing a high volume of requests
- Respond that the PA request was received within 24 hours

Requires a utilization review organization annually to review all health care services that require prior authorization, and to eliminate those that do not promote health care quality or reduce health care spending. Allows complaints to go to the Iowa Insurance Division.

Section 2 – Prior Authorization Exemption Program

Requires all health insurers that require prior authorizations to implement a pilot program that exempts a subset of providers from a list of prior authorizations by January 15, 2025. Their website must include:

- Criteria for a health care provider to qualify for the pilot
- List of services that are exempt from prior auth
- How many providers are eligible for the program, what specialties, and percent that are primary care
- Contact information about the pilot

Requires every health insurer to submit a report to the Insurance Division by January 15, 2026 that includes:

- The results of their pilot, including costs and savings
- If the insurer plans to continue or expand the PA exemption program
- Feedback received by stakeholders involved in the program

Amendment Analysis

H-1244 from the Senate –

- In section 1, it requires the insurer to provide a determination within those time frames, rather than just a response.
- Strikes section 2 of the bill regarding a pilot, and instead requires an annual report to the Insurance Division by all insurers with information on prior auth approvals and denials and the average/median time between the request and the decision.
- Requires an additional annual report by all insurers regarding how many prior auths were eliminated during their annual review and a list of Pas that had at least 80% approvals during the previous 12 months.