

115TH CONGRESS
2D SESSION

H. R. 7249

To amend title XVIII of the Social Security Act to provide for certain prior authorization notifications by Medicare Advantage organizations.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2018

Mr. REED introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XVIII of the Social Security Act to provide for certain prior authorization notifications by Medicare Advantage organizations.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “The Better Prior Au-
5 thorization Notification Act”.

1 **SEC. 2. PRIOR AUTHORIZATION NOTIFICATIONS REQUIRED**
2 **TO BE MADE BY MEDICARE ADVANTAGE OR-**
3 **GANIZATIONS.**

4 (a) NOTIFICATION TO PROVIDERS AND PRE-
5 SCRIBERS.—Section 1852(j) of the Social Security Act (42
6 U.S.C. 1395w–22(j)) is amended by adding at the end the
7 following:

8 “(8) PRIOR AUTHORIZATION NOTIFICATION.—
9 For each plan year, beginning with plan year 2021,
10 a Medicare Advantage organization offering an MA
11 plan shall provide to physicians and other providers
12 who are prescribers who have in effect for such plan
13 year an agreement of participation with the organi-
14 zation—

15 “(A) at the beginning of such plan year,
16 information (such as through a public website,
17 mail, electronic communications, or payor’s web
18 portal (as defined by the Secretary)) on items
19 and services (which in the case of an MA–PD
20 plan shall include covered part D drugs) cov-
21 ered under the plan that are subject to a prior
22 authorization; and

23 “(B) before implementing any additional
24 prior authorization requirement under the plan
25 during such plan year applicable to such items

1 or services, notification of such additional re-
2 quirement.”.

3 (b) NOTIFICATION TO BENEFICIARIES.—Section
4 1852(c) of the Social Security Act (42 U.S.C. 1395w-
5 22(c)) is amended by adding at the end the following new
6 paragraph:

7 “(3) PRIOR AUTHORIZATION INFORMATION.—

8 “(A) IN GENERAL.—For each plan year,
9 beginning with plan year 2021, a Medicare Ad-
10 vantage organization offering an MA plan shall
11 provide (such as through a public website, mail,
12 or electronic communication) to each enrollee in
13 such plan, before implementing under the plan
14 any new prior authorization requirement appli-
15 cable to an item or service (which in the case
16 of an MA–PD plan shall include covered part D
17 drugs) offered under the plan that was utilized
18 by the enrollee during the previous 12-month
19 period (or such other period specified by the
20 Secretary), notification of such additional re-
21 quirement and information regarding an alter-
22 native to such item or service, if appropriate,
23 that is not subject to a prior authorization re-
24 quirement under the plan and that may have a

1 lower out-of-pocket cost than the item or service
2 subject to the prior authorization requirement.

3 “(B) HOTLINE.—Beginning with plan year
4 2021, a Medicare Advantage organization offer-
5 ing an MA plan shall maintain a hotline for en-
6 rollees in such plan to inquire about and receive
7 information regarding prior authorization re-
8 quirements under such plan.”.

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