ARKANSAS PRIOR AUTHORIZATION EXEMPTION LEGISLATION

For Health Care Providers

November 2023

Arkansas House Bill 1271 takes effect on January 1, 2024. Under this legislation, prior authorization may not be required for certain health care services if Cigna Healthcare has approved at least 90 percent of the prior authorization requests submitted by the provider for the particular health care service within a six-month evaluation period.

In addition, Cigna Healthcare requires that the provider submit at least five prior authorization requests for the particular health care service within the same six-month evaluation period.

Note: This legislation only applies to plans regulated by the Arkansas Insurance Department (AID), including fully insured employer plans and non-ERISA ASO plans. Patients covered by an AID-regulated plan will have an AID or a department of insurance logo on their ID card.

Frequently asked questions

1. **How is provider eligibility for a prior authorization exemption determined?**
   Under Arkansas House Bill 1271, Cigna Healthcare will begin to review an Arkansas provider’s eligibility for exemption status from services that require prior authorization. Reviews will be done in accordance with the guidelines set forth under the Arkansas Prior Authorization Transparency Act.

   If a provider did not hold exemption for the prior evaluation period, Cigna Healthcare will review all relevant prior authorization determinations that were rendered for the specific health care services and determine whether the approval rate has reached the 90 percent threshold.

   If a provider held an exemption for the prior evaluation period, Cigna Healthcare will conduct a review of a random sampling of claims and determine whether they continue to meet the exemption threshold for that service.

   If a provider is either denied an exemption or has an exemption rescinded, the appropriate communications will be sent as required by law. Additionally, providers will be notified of the services for which they qualify for an exemption.

2. **Will Cigna Healthcare conduct evaluations?**
   Cigna Healthcare will periodically reassess prior authorization data and claims submissions to determine whether a provider qualifies, or continues to qualify, for exemption status for a particular health care service. Any exemption status will remain in place for at least 12 months.

3. **Which plans does this mandate apply to?**
   This mandate applies to medical and behavioral fully insured and non-Employee Retirement Income Security Act of 1974 administrative services only (non-ERISA ASO) plans.

4. **Which services does this mandate apply to?**
   This mandate applies to any health care service that requires prior authorization from the published listing on the Cigna for Health Care Professionals website (CignaforHCP.com).

5. **How do I know if a patient’s service is eligible for an exemption from prior authorization?**
   If the front of the customer’s ID card is marked as insured, the customer has an account that is a fully insured plan and is issued in Arkansas. If the text indicator is not present, please verify the customer is a resident of Arkansas and covered under a fully insured or non-ERISA ASO plan to ensure this service would qualify for prior authorization exemption consideration.
6. **How do I obtain more information about my prior authorization status, or what do I do if I disagree with a prior authorization exemption decision?**
   If you have questions about your prior authorization status as a result of Arkansas House Bill 1271, including if you disagree with an exemption decision, please email PriorAuthExemption@Cigna.com.

7. **If I am performing an exempt service, do I need to request prior authorization?**
   If you received an exemption for a particular health care service, you do not need to obtain prior authorization for that service.

8. **If I refer a patient to another provider, do they need prior authorization for an exempt service?**
   No. The service itself has received exemption status based on the review of your prior authorization history. Your exemption would apply when you order the service and prior authorization would not be required as a result.

   When referring a patient’s services to another provider, your National Provider Identifier (NPI) must be included on the claim. If the name and NPI of the ordering provider is not included on the claim, we will not be able to pay the claim without a prior authorization. The name and NPI of the ordering provider can be included on the claim form in the following fields:
   - Fields 17 and 17B of Form CMS-1500.
   - Fields 76 through 79 (or other appropriate field) of Form UB-04.
   - Corresponding fields for electronic claims using the ASC X12N 837 format.

9. **What is the authorization process for nonparticipating providers?**
   All nonparticipating providers, regardless of exemption status, must submit a network adequacy authorization at CignaforHCP.com > Resources > Forms Center > Medical Forms: View Documents > Medical-Network Adequacy Provision Exception Form.

   If a nonparticipating provider has achieved exemption status, no separate medical necessity authorization is required. Those who do not hold exemption must submit a medical necessity authorization.

10. **How do I update my preferred method for receiving communications related to Arkansas House Bill 1271?**
    If you would like to update your preferred method for receiving communications related to this legislation, please email PriorAuthExemption@Cigna.com with the following information:
    - Requestor’s name, title, and telephone number.
    - Provider or facility name and NPI.
    - Preferred method of communication (mail or email).
    - Complete mailing or email address, as applicable, of the provider or facility.

11. **How do I file a complaint with the Arkansas Insurance Department (AID)?**
    If you feel we have not complied with this legislation, you may contact the AID through one of the following methods:
    - Telephone: 800.852.5494 or 501.371.2640.
    - Fax: 501.371.2749.
    - Mail: Arkansas Insurance Department, Consumer Services Division, 1 Commerce Way, Suite 102, Little Rock, AR 72202.

12. **How do I request an appeal?**
    Appeal requests should be directed to PriorAuthExemption@Cigna.com.

13. **Where can I learn more about this legislation?**
    Please visit the AID website (Insurance.Arkansas.gov).