



HEALTH PLAN FLEXIBILITIES DURING A STATE OF EMERGENCY

ISSUE BRIEF

MAY 2023

Health Plan Flexibilities During a State of Emergency

Issue

During a declared state of emergency, hospitals need to deliver care quickly without unnecessary administrative barriers. FHA supports legislation requiring health plans to waive authorizations or precertification requirements during a declared state of emergency to streamline and expedite care.

Background

During the first COVID-19 surges, health plans adopted varied approaches to support hospital response by easing prior authorization requirements. However, while most plans provided some flexibility, they were not consistent among plans, with some waiving all prior authorization requirements and waiving the requirements only for certain services. Each plan also had different timeframes during which flexibility was allowed. The lack of standardization required extensive hospital staff time to track, monitor and ensure compliance with each plan's policies. In addition, because the state did not mandate suspension of prior authorization requirements, post-acute providers, such as skilled nursing facilities or long-term care facilities, were hesitant to take patients without obtaining prior authorization, which created delays and hospitals being at or above capacity. While the Agency for Health Care Administrative issued a directive to the Medicaid managed care plans to waive authorization for critical Medicaid services and provided some examples, plans interpreted the directive inconsistently, and hospital staff time was spent tracking individual health plan policies, what was covered, and ensuring internal processes incorporated the changes.

FHA Advocacy:

FHA supports legislation requiring all health plans licensed in Florida and/or doing business with the State of Florida to waive authorizations or precertification requirements for the following categories of care during a declared state of emergency.

1. All health plans doing business with the State of Florida must waive prior authorization for:
 - a. Discharges to all post-acute care settings (SNF, LTAC, Rehab, Behavioral Health)
 - b. Home health and DME
 - c. Status changes (observation to inpatient stay)

2. Suspend utilization management policies during the state of emergency to limit barriers to patients receiving timely care.
3. Automatically extend authorizations or precertification's provided before the state of emergency declaration for a period of 30 days after the declaration expires.
4. Prohibit denials for lack of prior authorization unless the health plan can prove that the care was not medically necessary.
5. Require health plans to pay for those days when a discharge was delayed due to lack of availability of a bed.
6. Waive out-of-network cost share for patients displaced due to emergency.
7. Recognize that the declared emergency could end in some areas sooner than others.

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