

FIRST REGULAR SESSION

# HOUSE BILL NO. 720

## 99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE WHITE.

1570H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal section 376.1387, RSMo, and to enact in lieu thereof one new section relating to healthcare determination appeals.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 376.1387, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 376.1387, to read as follows:

- 376.1387. 1. The director shall resolve any grievance regarding an adverse determination as to covered services appealed by an enrollee or health carrier or plan sponsor through any means not specifically prohibited by law but if the grievance is unresolved by the director then it shall be resolved by referral of such grievance to an independent review organization. The director shall establish the qualifications for such review organizations(s) and shall seek the services of such organization(s) by competitive bid pursuant to chapter 34. The director shall enter into contracts with such organization(s) as deemed necessary to conduct the adverse determination appeals process set forth in this section. Any request for an adverse determination appeal shall be assigned on a rotational basis. The organization's decision as to the resolution of the grievance shall be based upon a review of the written record before it. The grievance and resolution of such grievance shall not be considered a contested case within the meaning of section 536.010, but the resolution of such grievance by the panel shall be considered a final agency decision within the director's discretion, binding upon the enrollee and health carrier, and subject to judicial review if:
- (1) Action for such review is filed within thirty days of the final agency decision; and
  - (2) Judicial review is limited to the record before the director; and
  - (3) The enrollee and health carrier are deemed real parties in interest; and

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18           (4) The scope of judicial review extends only to a determination of whether the action  
19 of the director is unconstitutional, unlawful, unreasonable, arbitrary, or capricious or involves  
20 an abuse of discretion or is in excess of the statutory authority or jurisdiction of the director.

21           2. Nothing in this section is intended to restrict the director's authority to investigate and  
22 resolve any complaint against a health carrier that does not constitute a grievance within the  
23 meaning of section 376.1350.

24           3. Any grievance involving coverage provided pursuant to a Medicaid program,  
25 however, shall be resolved in accordance with the rules and procedures established for the  
26 Medicaid program.

27           **4. If an independent review organization reviews an adverse determination appeal**  
28 **as described in subsection 1 of this section, and the review results in a reversal of the health**  
29 **carrier's decision, any and all fees charged by the independent review organization for the**  
30 **review of the adverse determination shall be reimbursed to the department by the health**  
31 **carrier.**

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