

Louisiana Department of Health Informational Bulletin 24-35 October 10, 2024

Third-Party Liability Act 486 (HB655)

Effective July 1, 2024 the Centers for Medicare & Medicaid Services approved an update to the State Plan Amendment (SPA) to align with the passage of HB655/Act 486 of the 2024 regular legislative session.

Provisions governing third party liability have been amended in order to:

- 1. Require that a third party accepts authorization provided by the Louisiana Department of Health that an item or service is covered under the State Plan, as if the authorization were a prior authorization made by the third party for the item or service;
- 2. Bar a third party from denying a claim based on failure to obtain prior authorization when certain criteria are met;
- 3. Require that a third party respond to inquiries made by the Department within 60 days of receipt; and
- 4. Bar a third party from denying a claim submitted by the Department solely on the basis of submission of the claim, the type or format of the claim form, or a failure to present proper documentation at the point-of-sale that is the basis of the claim.

This update can be found in the State Plan Amendment: 1902(a)(25)(I) of the Act:

(i) In accordance with the Consolidated Appropriations Act (CAA) of 2022, the State ensures that laws are in effect that bar liable third parties from refusing payment for an item or service solely on the basis that such item or service did not receive prior authorization under the third-party payer's rules. These laws also comply with the provisions of section 202 of the CAA 2022.

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