

**SB 275, MEDICAL PREAUTHORIZATION AMENDMENTS,
(Plumb, J.)**

**Anticipated Fiscal Impact: \$99,433 per year or
\$.13 per member per month**

Summary

This bill would require PEHP to respond to requests from certain hospitals for preauthorization and appeals within 24 hours for post-acute services and within 48 hours for pre-service requests that would be considered urgent. This would require PEHP to meet standards that would be new or exceed current federal law and would thus require PEHP to maintain staffing at a higher level and over weekends and holidays to guarantee compliance with these standards.

Currently, PEHP pays preauthorization and appeals staff an average of \$104,666 a year in salary and benefits. We would expect to hire an additional 2.5 FTEs to meet the compliance requirements of this bill or \$261,665. Of this, \$99,433 would be allocated to the state employee health plan. For other PEHP groups, this would equate to \$.13 PMPM.