

SB 480-FN - AS AMENDED BY THE SENATE

03/05/2026 0838s

2026 SESSION

26-2040

05/09

SENATE BILL **480-FN**

AN ACT limiting certain prior authorization requirements for physical therapy, occupational therapy, and similar rehabilitative services.

SPONSORS: Sen. Prentiss, Dist 5; Sen. Rosenwald, Dist 13; Sen. Fenton, Dist 10; Sen. Watters, Dist 4; Sen. Birdsell, Dist 19; Sen. Avard, Dist 12; Sen. Perkins Kwoka, Dist 21; Sen. Lang, Dist 2; Sen. Gannon, Dist 23; Sen. Pearl, Dist 17; Sen. Sullivan, Dist 18; Sen. Innis, Dist 7; Sen. Rochefort, Dist 1; Sen. Altschiller, Dist 24

COMMITTEE: Health and Human Services

AMENDED ANALYSIS

The bill prohibits health carriers from requiring prior authorization for the first physical or occupational therapy visit in any new episode of care, and mandates approval of at least 8 medically necessary treatments after the initial evaluation before further review. This bill also preserves insurers' ability to deny claims deemed not medically necessary.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT limiting certain prior authorization requirements for physical therapy, occupational therapy, and similar rehabilitative services.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Section; Managed Care Law; Prior Authorization for Physical Therapy and Occupational
2 Therapy; When Required. Amend RSA 420-J by inserting after section 6-e the following new section:

3 420-J:6-f Prior Authorization for Physical Therapy and Occupational Therapy; When Required.

4 I. A health carrier shall not require prior authorization for physical therapy and
5 occupational therapy, as defined in RSA 328-A:2, XI and RSA 326-C:1, IV, respectively, for the first
6 visit of each new episode of care. Health carriers may require prior authorization following the
7 covered person's first visit. Each health carrier shall provide prior authorization for physical
8 therapy and occupational therapy, if medically necessary based on the evaluation of the patient at
9 the initial visit, for not less than 8 treatments before requiring additional review for medical
10 necessity, unless otherwise specified in the plan sponsor's contract with the health carrier. For
11 purposes of this section, "new episode of care" means treatment for a new condition or treatment for
12 a recurring condition for which an enrollee has not been treated within the previous 60 days.

13 II. This section shall not limit the right of a health carrier to deny a claim when an
14 appropriate prospective or retrospective review concludes that the health care services or treatment
15 rendered were not medically necessary.

16 2 Effective Date. This act shall take effect January 1, 2027.

SB 480-FN- FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT # 2025-0838s)

AN ACT limiting certain prior authorization requirements for physical therapy, occupational therapy, and similar rehabilitative services.

FISCAL IMPACT:

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	Indeterminable Increase \$250,000 to \$1,250,000	Indeterminable Increase \$250,000 to \$1,250,000	Indeterminable Increase \$250,000 to \$1,250,000
<i>Revenue Fund(s)</i>	General Fund			
Expenditures*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

Estimated Political Subdivision Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
County Revenue	\$0	\$0	\$0	\$0
County Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable
Local Revenue	\$0	\$0	\$0	\$0
Local Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable

METHODOLOGY:

This bill amends RSA 420-J to prohibit health carriers from requiring prior authorization for the first visit of physical therapy and occupational therapy for each new episode of care and requires approval of at least 8 medically necessary treatments following the initial evaluation before additional review. A “new episode of care” is defined as treatment for a new condition or a condition not treated within the previous 60 days. Health carriers may still deny claims if treatment is determined not to be medically necessary.

The Insurance Department states prior authorization is a commonly used cost-containment mechanism in health insurance. The Department indicates that limiting prior authorization requirements for these services may increase the frequency of claims and total claims costs for physical and occupational therapy services. Increased claims costs may result in higher

insurance premiums, which would increase Insurance Premium Tax revenue deposited into the General Fund. The Department estimates the increase in state revenue to be indeterminable but likely between \$250,000 and \$1,250,000 annually.

To the extent counties and municipalities purchase group health insurance, they could see an increase in their health insurance premiums.

AGENCIES CONTACTED:

Insurance Department