

Alaska State Medical Association

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Testimony on Prior Authorization bill

Thank you Mr. Chairman. My name is Pam Ventgen, I am the executive director of the Alaska State Medical Association. We represent physicians across the state.

We support HB 187 and encourage your passage of this bill.

Prior authorization is a cost-control process that requires health care professionals to obtain advance approval from health plans BEFORE a prescription medication or medical service qualifies for payment and can be delivered to the patient.

These are time-consuming barriers to effective delivery of necessary treatment. This is especially burdensome for providers who routinely (80% of the time or more) eventually get prior authorization approvals.

Prior authorization requirements delay treatment and necessary care 94% of the time. Up to 80% of patients abandon recommended care at least some of the time.

33% of physicians report that prior authorization has led to a serious adverse event for a patient in their care.

89% of physicians report that prior authorization has a negative impact on patient care.

62% of physicians report prior authorization has led to additional office visits.

This is especially true with cancer patients. Oncology specialists report the following statistics in cancer cases:

- **97%** report onerous documentation needed to demonstrate medical necessity
- **97%** report response delays from insurance companies
- **96%** report unsuccessful appeals
- **94%** report obstructive appeal processes

- **91%** report a lack of clinical expertise by prior authorization reviewers
- **91%** report a lack of clinical validity of prior authorization programs
- **91%** report a lack of transparency in the process

HB 187, if passed, will go a long way to alleviate the burden on providers, increase quality of care to patients and ultimately reduce the cost of unnecessary office visits to meet prior authorization therapy requirements.

I am happy to answer any questions. Thank you.