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February 23, 2022

Chair Delores G. Kelley Vice-Chair Brian J. Feldman 3 East, Miller Senate Office Building Annapolis, Maryland 21401

RE: SB 688 - Health Insurance - Utilization Review for Coverage of **Prescription Drugs and Devices – Expedited Appeals**

Dear Chair Kelley and Vice Chair Feldman,

On behalf of the American Psychiatric Association, a national medical specialty society representing more than 37,400 psychiatric physicians, as well as their patients and families, we respectfully ask for your support of SB 688. If passed, this bill would help clinicians ensure that their patients have timely access to medications by reducing the burden of prior authorization.

Prior authorization is a utilization management tool that requires doctors to obtain approval from an insurance plan or pharmacy benefit manager (PBM) before it will cover the costs of a specific medicine, medical device, or procedure. While prior authorization is promoted as a health care savings mechanism, this process likely contributes to the rising cost of healthcare by allowing insurers and PBMs to impose extensive paperwork requirements, multiple phone calls, and significant wait times for treatments and medications.

The result of prior authorization on patients may be life threatening and lead to higher costs. According to a 2021 survey by the American Medical Association, over 90% of doctors report that prior authorization has delayed patient access to care and negatively impacted patient outcomes. Four in five doctors reported that prior authorization can lead patients to abandon their recommended course of treatment. For individuals with psychiatric disorders, including those with serious mental illness or substance use disorders, gaps in treatment due to prior authorization denials can lead to relapse, along with increased health care costs and devastating effects for individuals and their families.

The pandemic has exacerbated the need for mental illness and substance use disorder services both in Maryland and nationwide. In just the last year, NAMI reports that our state lost 650 lives to suicide and 188,000 adult residents reported thoughts of suicide. In this time of crisis, we should eliminate barriers to treatment and do all that we can to support our overwhelmed healthcare workforce. SB 688 would ensure patients access to the medications they need and would alleviate some of the pandemic burnout clinicians are experiencing.

Increasingly, legislators across the country are recognizing how onerous prior authorization is on clinicians and that time spent on burdensome requirements would be better spent on direct patient care. Last year, legislators in Georgia, Illinois, Oregon, and Texas recognized the negative impact of prior authorization on patient access and passed their own prior authorization reform bills. As we enter the second year of this pandemic, we have seen proposals in Colorado, Indiana, Maine, New Jersey, and Washington to reign in insurance authority on patient access to care and mitigate a fraction of the stress that our healthcare workforce is experiencing.

Specifically, SB 688 would:

- eliminate prior authorization for generic medications that are not controlled substances.
- eliminate prior authorization for dosage changes of the same medication.
- eliminate prior authorization for generic and brand drugs after patients have been on these medication for six months without interruption.
- require insurers and PBMS to adhere to a 48-hour appeal process to ensure timely access to medications for patients.
- prohibit plans from denying medication on the grounds of therapeutic duplication if the patient has already been subject to review for the same dosage and it was previously approved.
- require denials and denial reviews be conducted by physicians in the same or similar specialty as the health care provider whose recommended treatment is under review.

Maryland patients deserve timely access to medications. Please support SB 688 and implement common sense changes to prior authorization. If you have any questions, please contact APA Director of State Government Relations, Erin Philp at ephilp@psych.org.

Sincerely,

Saul Levin, M.D., M.P.A., FRCP-E, FRCPsych

CEO and Medical Director

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American Psychiatric Association