



TESTIMONY TO THE SENATE FINANCE COMMITTEE

SB 0308: Health Insurance- Utilization Review- Revisions

POSITION: Support

BY: Nancy Soreng, President

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The League of Women Voters Maryland supports **Senate Bill 0308: Health Insurance- Utilization Review- Revisions.**

Passage of the bill would reform the cumbersome process by which an insurance company's "prior authorization" staff reviews information provided by a health care provider about a patient's proposed treatment. Only if a planned procedure, service, or medication meets **the payer's definition** of "medical necessity" will payment be approved. **This cost-control system has created many barriers to care, and reform will be welcomed by both medical providers and patients.**

Our current healthcare payment system can be seen as a structure with two opposing forces: those who deliver hands-on care, and those who, from far away, evaluate the care and make payment decisions. This automatically sets up the two sides as adversaries. **The patient is in the middle, and is ultimately the one who suffers.**

The League of Women Voters believes that health care is a human right, and that every U.S. resident should have access to affordable, quality health care. It has also lobbied in strong support of patient rights, and endorses the reduction of administrative costs as one way to ensure that health care can be equally accessible and affordable for all.

An AMA survey¹ of practicing physicians notes that "Payers' prior-authorization requirements delay treatment, have a negative impact on clinical outcomes and lead patients to abandon treatment." And "The very manual, time-consuming processes used in these programs burden providers (physician practices, pharmacies, and hospitals) and divert resources away from direct patient care."²

¹ <https://www.ama-assn.org/practice-management/prior-authorization/how-insurance-companies-red-tape-can-delay-patient-care>

² <https://www.ama-assn.org/system/files/principles-with-signatory-page-for-slsc.pdf>

But it doesn't have to stay this way. Multiple states,³ including Georgia, Illinois, Kentucky, and Michigan have recently passed laws reforming the prior authorization process in their states.

Reforms such as those included in Senate Bill 308 will improve transparency in the prior auth process, minimize repetitive requirements, and **protect patients from harmful treatment interruptions.** An insurance company's Physician Advisor making a care decision will be required to have expertise in that particular medical condition, be licensed in Maryland, and **follow patient-centered care protocols** by using evidence-based, nationally accepted criteria, making timely decisions, and obeying clearly defined rules and standards for appeals. After all, these serious decisions to delay or deny authorization and payment for care can negatively impact patients' health and well-being.

Reforming Maryland's prior auth process will lessen the administrative burdens of practitioners forced to spend so much time away from patient care. This will improve our health care system, and the health of all Marylanders who rely on it.

The League of Women Voters Maryland and its 1,500+ members **urge the committee to give a favorable report to Senate Bill 0308.**

³ <https://www.ama-assn.org/practice-management/prior-authorization/how-michigan-s-prior-authorization-reform-law-was-passed>