HB 0305: "Health Insurance – Utilization Review – Revisions."
Submitted by Kim Czubaruk, Senior Director, Strategy and Policy, Cancer*Care*
February 14, 2023

Delegate Kerr and members of the House Health and Government Operations Committee, I am Kim Czubaruk, Senior Director of Strategy and Policy for Cancer*Care*, a leading national organization providing free, professional support services and information to help people manage the emotional, practical, and financial challenges of cancer. In 2022, our staff answered more than 38,000 calls to our helpline and served clients with 90 different types of cancer in all 50 states. Our comments are informed by the stories we hear from our clients as they navigate the confusing, expensive, and frustrating process of accessing and paying for vital – and sometimes life-saving – cancer care and treatment. I am writing in support of HB 0305: "Health Insurance – Utilization Review – Revisions."

HB 0305 revises and establishes requirements for utilization management (UM) of health care services, specifically, preauthorization or prior authorization (PA). PA requires that certain services, treatments, or prescriptions be submitted to and approved by the payer as medically necessary before a patient can receive that care. Payers have designed and implemented PA in a manner that imposes significant barriers to patients' accessing necessary, appropriate, and timely care. The requirements and guardrails in HB 0305 will help prevent PA from being used as a means to delay and/or deny care to reduce payers' costs at the expense of patients receiving the care and treatment they need when they need it.

A survey by the American Society for Clinical Oncology (ASCO) illustrates the serious consequences of prior authorization (PA) on cancer care and treatment, with nearly all respondents (n=300) reporting that PA caused harm to patients. This included:

- 96% reporting delays in treatment,
- 94% reporting delays in diagnostic imaging,
- 93% reporting patients being forced onto a second-choice therapy,
- 88% reporting patients experienced increased out-of-pocket costs,
- 87% reporting therapy was denied, and
- 80% reporting disease progression.

In addition, while almost all PBMs and health plans claim to use peer-reviewed evidence-based studies when designing their PA programs, 30% of physicians report that PA criteria are rarely or never evidence-based, and 43% report that the criteria are only sometimes supported by evidence. While patients and providers are focused on determining the best course of care to treat a serious disease, PA's obstacles pose too much for many patients,

leading to 37% of prescriptions subject to PA being abandoned by patients at the pharmacy counter and never filled. PA's impact on patient abandonment is further revealed by a 2021 AMA survey in which 82% of physician respondents (n=1,004) reported that PA can at least sometimes lead to treatment abandonment. This same AMA survey showed PA's negative impact on providers, with 88% of physicians describing the burden associated with PA as high or extremely high, 40% of physicians having staff who work exclusively on PA, and physicians and staff spending almost two business days each week completing PA requirements.

The revisions and requirements in HB 0305 will go a long way to ensure that cancer patients and others with a health condition receive the timely and appropriate medical care prescribed by their providers to treat their disease. HB 0305 will prevent payers' from continuing to use PA as a tool to delay and/or deny care that results in patient harm that is often irreparable and imposes consequential burdens on health care providers.

Thank you for the opportunity to submit this testimony and for your thoughtful consideration.