

# MPCAC

MARYLAND PATIENT CARE AND ACCESS COALITION

February 20, 2024

**VIA ELECTRONIC SUBMISSION**

Pamela G. Beidle, *Chair*  
Senate Finance Committee  
Miller Senate Office Building, 3 East Wing  
11 Bladen Street  
Annapolis, MD 21401-1991

**Re: Support for S.B. 791 - Health Insurance – Utilization Review – Revisions**

Dear Chairwoman Beidle:

We are writing to you on behalf of the Maryland Patient Care and Access Coalition (“MPCAC”) to express our support for S.B. 791. Over the past two years, MPCAC has been working with other organizations on the topic of reforming the method for utilization reviews used by health insurance carriers to determine medical necessity, when a patient’s medical provider orders certain healthcare services. One of the most important aspects of the legislation—reform of prior authorization—addresses a health insurance carrier’s cost-control process that requires physicians and other health care professionals to obtain advance approval from the carrier before a specific service is delivered to a patient to qualify for payment coverage.<sup>1</sup> Too often, these prior authorization reviews cause significant delays and, at times, outright denials, of critical health care services for Maryland patients.

MPCAC strongly believes that S.B. 791 would allow Marylanders to obtain the treatment they need without unnecessary delay by reducing burdens of unnecessary prior authorization requirements, requiring more timely communication between providers and carriers, and having utilization reviews conducted by practitioners with the appropriate medical specialization to conduct the reviews. **MPCAC proudly supports S.B. 791 and stands ready to serve as an ongoing resource to the Senate Finance Committee in its efforts to reform and evaluate utilization review laws.**

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<sup>1</sup> “What is prior authorization”, American Medical Association, <https://www.ama-assn.org/practice-management/prior-authorization/what-prior-authorization> (July 12, 2022) last accessed Feb. 19, 2024.

### **The Maryland Patient Care and Access Coalition**

For 20 years, the Maryland Patient Care and Access Coalition (“MPCAC”) has been the voice of independent physician practices in the State that deliver integrated, high-quality, cost-efficient care to patients in the medical office and freestanding ambulatory surgical facility (“FASF”) settings. With hundreds of physicians in the fields of gastroenterology, orthopaedic surgery, urology, pathology, medical oncology, radiation oncology, and anesthesiology, MPCAC’s member medical practices cared for Marylanders in nearly two million patient visits during the past year. In addition, the physicians in MPCAC’s member practices perform approximately 200,000 procedures in FASFs and endoscopy centers annually.

### **S.B. 791 - Changes to Prior Authorization**

Maryland patients have long needed responsible legislation such as S.B. 791 to protect their access to timely medical care. Current law unnecessarily burdens patients with prior authorization obstacles in the following ways: (i) Marylanders with chronic conditions can be subject to a denial by a health insurance carrier of their annual reauthorization for the same treatment, despite the provider knowing the treatment works and no change in the patient’s medical condition; and (ii) for dosage changes which are fully consistent with the FDA’s dosage labels, Marylanders can be subject to prior authorization requirements. By enacting S.B. 791, these unnecessary and burdensome barriers to care would be removed.

One of MPCAC’s Board members described the treatment of moderate to severe Crohn’s Disease and Ulcerative Colitis, which often requires the use of biologic medication, which can be very expensive without coverage. The treatment of these diseases requires patients to continue to stick to their treatments to avoid what can be dangerous flare-ups which may require hospitalization and even surgery. Under current law, patients suffering from these diseases face receiving adverse decisions on continuing a biologic that they have been on for years despite providing medical records and being forced to jump through unnecessary administrative hurdles. Even when prior authorization is eventually obtained, the burdens on patients and medical practices result in delays to treatment, risking flare-ups, increasing patient anxiety, and ultimately adding to the cost of the care.

Similarly, the AMA found in a 2021 survey that: (a) 91% of respondents reported prior authorization can lead to negative clinical outcomes with 34% reporting serious adverse events in patients’ care because of prior authorizations; and (b) 82% of respondents reported prior authorizations can cause patients to abandon their course of treatment.<sup>2</sup> Despite increased scrutiny and national attention to the issue of prior authorization, the 2022 Report on the Maryland Health Care Appeals and Grievances Law (released December 1, 2023), found that the number of adverse decisions from Maryland insurance carriers actually increased from 78,730 in 2019 to 95,327 in 2022, which is an increase of 21.1%.<sup>3</sup>

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<sup>2</sup> See *id.*

<sup>3</sup> See “2022 Report on the Health Care Appeals & Grievance Law Insurance Article § 15-10A-06,” Maryland Insurance Administration,

<https://insurance.maryland.gov/Consumer/Appeals%20and%20Grievances%20Reports/2022-Report-on-the-Health-Care-Appeals-and-Grievance-Law-MSAR-6.pdf> (Dec. 1, 2023) last accessed Feb. 19, 2024.

Prior authorization roadblocks exist even for medical practices with very high rates of approvals, which demonstrates that the practices are providing medically necessary care based on the guidelines set by the carriers. S.B. 791 includes an important study on the feasibility of implementing a “gold card” standard in Maryland, which exempts healthcare providers who meet certain approval thresholds from prior authorization. We urge the General Assembly to pass S.B. 791, so that we can move forward with this study and, ultimately, the adoption of a “gold card” program in Maryland, which would allow patients to obtain treatment in a timelier manner.

**S.B. 791 – Communication and Expertise of Reviewers**

MPCAC also supports S.B. 791’s requirements to increase transparency and communication as part of the review process. The bill requires health insurance carriers to (i) explain the reasoning of a denial with more specificity; and (ii) specifically request any additional information that they need to make a determination (e.g., lab, diagnostic tests, or other medical information), and to provide the criteria and standard used to support why they need such information. Additionally, the bill mandates that when a treating physician requests a “peer-to-peer” discussion, the health insurance carrier must provide such a peer-to-peer discussion (currently this is discretionary), and the health insurance carrier’s representative must not only be board certified in the specialty, but also knowledgeable of and experienced in the particular diagnosis and course of treatment under review.

It is our understanding that in both 2022 and 2023, the Maryland Insurance Administration modified or reversed the carrier’s decision (or the carrier reversed its own decision during the course of an investigation), more than 70% of the time on filed complaints. In other words, more than seven out of every ten times, a carrier’s initial decision that created a barrier to patients receiving timely and appropriate care was overturned. MPCAC believes that the changes set forth in S.B. 791 will help reverse this disturbing statistic.

**We believe S.B. 791 is a necessary step towards helping Maryland’s health care providers deliver—and patients receive—the health care services needed without the delays and burdens allowed under existing law.** MPCAC looks forward to continuing to serve as a trusted partner to members of the General Assembly as we work together to confront the challenges and opportunities facing our health care system and to promote and protect the high quality, cost-efficient and convenient care furnished in the independent medical practice setting.

Sincerely,



Nicholas P. Grosso, M.D.  
Chairman of the Board & President, MPCAC



Michael Weinstein, M.D.  
Chair, Health Policy, MPCAC

cc: All Senate Finance Committee Members  
Joe Bryce, Manis Canning