



June 6, 2024

Representative Brian Lampton Chair, House Committee on Insurance 77 South High Street Floor 13 Columbus, OH 43215

Dear Representative Lampton:

On behalf of the American College of Physicians (ACP) and the ACP Ohio Chapter, we are writing to express our support for House Bill 130, to Establish an Exemption to Prior Authorization Requirements, as it is under consideration by your committee. ACP is the largest medical specialty organization and the second largest physician membership society in the United States. ACP members include 161,000 internal medicine physicians, related subspecialists, and medical students, with nearly 5,000 members represented by the Ohio chapter. Internal medicine physicians are specialists who apply scientific knowledge, clinical expertise, and compassion to the preventive, diagnostic, and therapeutic care of adults across the spectrum from health to complex illness.

Prior authorization is one of the most onerous administrative burdens that physicians face, forcing them to divert significant amounts of time and focus away from patient care. A 2022 physician survey by the American Medical Association (AMA) found that 86% of physician respondents reported that prior authorizations resulted in increased use of healthcare resources, leading to waste rather than the cost savings claimed by insurers. In addition to the impact on physicians, prior authorization requirements have been found to harm patient care. The AMA survey also found that for patients whose treatment required prior authorization, 94% of respondents said the process led to delays in care.

We are pleased to see that HB 130 would begin to address the harms caused by prior authorization requirements by allowing an exemption process for physicians with strong approval records. In <u>Putting Patients First by Reducing Administrative Tasks in Health Care: A Position Paper of the American College of Physicians</u>, ACP lays out recommendations for addressing the adverse effects that administrative burden and physician burnout have on patients, physicians, and the healthcare system as a whole. This paper recognized that administrative tasks like prior authorization have a significant impact on the timeliness of care received, which can lead to worse health outcomes for time-sensitive conditions and overall

decreased patient satisfaction. HB 130 would take an important step towards reducing the administrative burdens that are exacerbating our physician shortage and leading to worse patient outcomes. The proposal that insurers exempt from prior authorization requirements those services and devices for which a physician has at least a 95% approval record would mean that Ohio patients will face fewer administrative barriers to getting the care they need, and Ohio physicians will be able to focus more on our patients rather than paperwork.

Our members are also pleased to see provisions mandating increased transparency in the prior authorization process. Data such as the proportion of prior authorization requests that were approved, denied, or initially denied but approved after appeal, as well as time between request and determination for prior authorization requests, will give policymakers and the public valuable insight into the efficacy of health plan administration as it pertains to prior authorization requirements. ACP supports increased transparency in prior authorization policy development and is confident that this measure will better inform future policies to improve patient access to care and address physician burnout.

We encourage your committee to support HB 130 because this reform of prior authorization will have tangible and significant benefits for Ohio patients and physicians. Please reach out to Drs. Ellen Gelles and Houman Varghai, Co-Chairs of the ACP Ohio Health and Public Policy Committee at egelles@gmail.com and vargah@ucmail.uc.edu if you have any questions or if there is any way we can assist you.

Sincerely,

Isaac O. Opole, MBchB, PhD, MACP

President

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CC: Representative Kevin Miller