



April 19, 2024

Representative John Hunt Chair, House Committee on Commerce and Consumer Affairs State House 107 N Main St, LOB Room 302-304 Concord, NH 03301

Dear Representative Hunt:

On behalf of the American College of Physicians (ACP) and the ACP New Hampshire Chapter, we are writing to express our support for S.B. 561: Relative to Prior Authorizations for Health Care in advance of your committee hearing the bill next week. 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; and the chapter represents more than 600 physicians in New Hampshire. 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 S.B. 561 addresses timeliness standards for responding to prior authorization requests. In <u>Putting Patients First by Reducing Administrative Tasks in Health</u> <u>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. These requirements will ensure that patients do not have to wait for the care they need due to the wait time for a prior authorization request to be fulfilled. Furthermore, the provision to automatically approve prior authorization requests if a determination is not made within the set time frame will ensure that physicians and patients can proceed with medically necessary and time-sensitive care.

We are also grateful that this legislation includes requirements that prior authorization requests be reviewed by a physician of the same specialty as well as the option for physicians to request a peer review of their prior authorization request external to standard grievance procedures. These policies will ensure that determination requests are given adequate oversight and additional avenues for physicians to appeal their decisions.

Our members are also pleased to see provisions mandating increased transparency in the prior authorization process, both in terms of requirements as well as metrics. Data such as the proportion of prior authorization requests that were approved, denied, or initially denied but approved after appeal, as well as average time between request and determination for standard and urgent prior authorization requests, will give policymakers, and the public greater 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 insight will better inform future policies to improve patient access and care and address physician burnout.

We would also like to direct your attention to opportunities to reduce or eliminate prior authorization requirements for certain medications and procedures. Medications for the treatment of substance use disorder and HIV are often subject to strict prior authorization requirements, which can hinder or delay treatment for populations most impacted by systemic health inequities. Access to life-saving medication should not be jeopardized by excessive administrative burdens like prior authorization.

Relatedly, step therapy often goes hand in hand with prior authorization to increase physician burden while reducing access to care. Step therapy requirements, often known as "fail first" policies, mandate that patients must try and fail at lower priced drugs selected by their insurer before the drug prescribed by their physician is covered. Alongside prior authorization, step therapy requirements can lead to confusion, unnecessary paperwork and phone calls, and the diversion of clinical workflow by requiring physicians to take time away from patient care to submit unnecessary data in electronic health records or perform duplicative tasks. Limiting step therapy requirements will go a long way in further reigning in the cost of healthcare and improving the patient experience. In <u>Mitigating the Negative Impact of Step Therapy Policies</u> and Nonmedical Switching of Prescription Drugs on Patient Safety, ACP outlines

recommendations to ensure these requirements minimize any potential care disruption, harm, side effects, and risks to the patient.

We encourage your committee to recommend Ought to Pass on S.B. 561 because of reforms to prior authorization processes this important, bipartisan legislation proposes will have tangible and significant benefits for New Hampshire patients and physicians. Please reach out to Kenton Powell, Governor of the New Hampshire Chapter of ACP at kenton.e.powell@hitchcock.org if you have any questions or if there is any way we can assist you.

Sincerely,

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