

## **Insurance and Real Estate Committee JOINT FAVORABLE REPORT**

**Bill No.:** HB-5447

AN ACT CONCERNING PRIOR AUTHORIZATION FOR HEALTH CARE

**Title:** PROVIDER SERVICES.

**Vote Date:** 3/22/2022

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/17/2022

**File No.:** 341

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### **SPONSORS OF BILL:**

Introduced by the Insurance and Real Estate Committee

### **REASONS FOR BILL:**

This bill instructs the Insurance Department to conduct a study concerning prior authorization issues for health care provider services in the state. The report shall specifically consider and make recommendations concerning a program that would exempt health care providers who have a certain rate of prior authorization approval for health care provider services during a certain period of time from prior authorization requirements.

The purpose of this legislation is to initiate a process to prevent lengthy wait times for patients to receive authorization for treatments or medications and also to prevent insurance companies from revoking prior authorization approvals after treatment has been conducted.

### **RESPONSE FROM ADMINISTRATION/AGENCY:**

#### Connecticut Insurance Department

The Department states that while they agree that prior authorization issues for healthcare providers is an important area to study, they do not have the budget nor the staff to complete another study and report this year.

#### Ted Doolittle, Office of the Healthcare Advocate

This agency **supports** this bill because the agency has long favored the proposals that would be studied by the Insurance Department, such as exempting providers with a high rate of prior authorization approvals. It is anticipated that such exemptions would yield lower overall administrative costs for both insurers and providers, while at the same time allowing consumers to access certain services more quickly and without bearing their own administrative burdens when prior authorizations are denied. OHA also proposes some additional language to enhance the notifications that consumers receive regarding OHA's services when a prior authorization or other claim for coverage is denied by an insurer.

## NATURE AND SOURCES OF SUPPORT:

Greg Allard, President, Association of Connecticut Ambulance Providers

This speaker **supports** studying prior authorizations in this bill but urges the study to go further and examine the health plans and their requirements for when prior authorization is needed and explicitly look at prior authorizations that are granted but where the insurer still does not pay the claim. The speaker believes this should be inclusive of ambulance services as well.

Jenna Bernstein, Board Member, Connecticut Orthopedic Society

Gene Brazee, Director of Case Management, Bristol Health Bristol Health

Connecticut Academy of Family Physicians

Connecticut State Medical Society

Liz Dupont-Diehl, Special Projects Coordinator, Connecticut Citizen Action Group

David Fenton

Lynn Rapsilber, Co-Chair, Coalition of Advanced Practice Nurses

Michael Safian

Universal Health Care Foundation of Connecticut

Steven Wolfson

Kathy Reilly, Director HealthCare Advocacy and Legislative Liaison, Gaylord Hospital

These speakers **support** this bill because they are in favor of initiating meaningful reform to the prior authorization policies of health care insurers for the benefit of patients' access to care.

Mimi DeLessio-Matta, President, Connecticut State Dental Association

David Fried

These speakers **support** this bill, but request for the legislature to amend this bill to include the prior authorization language from the Dental Benefits Contracting Model Act which would prohibit dental carriers from denying, revoking, limiting, conditioning or otherwise restricting preapproved dental care claims or claims approved in prior authorizations.

Paul Desan

This speaker **supports** the study this bill would initiate, but also requests that the legislature add studies on other unfair management practices, such as step therapy, and require insurance companies to fully implement mental health parity.

Todd Falcone, Executive Member, Connecticut ENT Society

Katherine Kavanaugh, Executive Member, Connecticut ENT Society

This speaker **supports** this bill, but requests that physician representatives be included in the data gathering and analysis, particularly those in smaller practices, and that consideration be given to including the Department of Public Health as well.

Sen. Martin Looney

This speaker **supports** this bill, but urges the committee to add some protections for patients and providers that would increase equity and transparency in the prior authorization process.

## NATURE AND SOURCES OF OPPOSITION:

Rowena Bergmans, Nuvance Health

Patrick Charmel, President & CEO, Griffin Health Services

Connecticut Children's

Hartford Healthcare

Ann Hogan, Sr Government Relations Officer, Yale New Haven Health

Andrew Lim, Director of Emergency Medicine, Bristol Health

Richard Peer, Systems Director of Revenue Cycle, Bristol Health

Mark Schaefer, Vice President, System Innovation and Financing, Connecticut Hospital Association

Kathleen Silard, Stamford Health

Theresa Spague, Manager of Patient Access, Bristol Health

Lynn Ricci, President and Chief Executive Officer, Hospital for Special Care

This speaker **opposes** this bill as a result of various shortcomings they highlighted, such as an increased administrative burden for hospitals. Instead, this speaker urges the legislature to enact "real prior authorization reform" this session.

Connecticut Association of Health Plans

This speaker **opposes** this bill but would like to start a dialogue on this issue. The speaker's opposition is rooted in their belief that the proposed changes would not solve this problem, such as how "gold carding" may sound reasonable, but it has repeatedly been shown to produce only temporary behavior change.

David Godbout

This speaker **opposes** this bill.

Sam Hallemeier, Director of State Affairs, Pharmaceutical Care Management Association

This speaker **opposes** this bill because during the opioid epidemic, prior authorizations have been one of the primary tools in ensuring appropriate opioid utilization.

**Reported by: Andrew Miano**

**Date: April 11, 2022**