

**Statement  
of the  
Ohio State Medical Association  
to the  
House Insurance Committee**

**Proponent Testimony  
SB 129 – Insurer Prior Authorization**

**Presented by Tim Maglione, Senior Director, Government Relations Group**

**May 3, 2016**

Chair Sears and members of the House Insurance Committee, my name is Tim Maglione and I am the Senior Director of Government Relations for the Ohio State Medical Association (OSMA). With 16,000 members, the OSMA is the state's largest professional organization representing Ohio physicians, medical residents and medical students.

The OSMA appreciates the opportunity to express our enthusiastic support for SB 129.

SB 129 is legislation that presents healthy and efficient modifications for how health insurers conduct "prior authorization" (PA). As you know, PA is a process that requires physicians and/or their staff to ask permission from a patient's insurance company before prescribing certain medications or performing certain medical treatments.

You will hear directly from other witnesses today who will describe how PA requirements can cause a significant administrative burden on a physician's practice and how, at times, it can even lead to a delay in the diagnosis and treatment of the patient's condition.

SB 129 has a number of provisions that will make the PA process more transparent, more fair, and more patient-focused. Specifically, the bill proposes the following:

- Ensures that PA requirements or restrictions are listed on the health insurer's Web site;
- Allows providers and patients to obtain PA's through a web-based system;
- Ensures that any new or future PA requirements are disclosed prior to the new requirement being implemented;
- Guarantees that once a PA has been approved, the insurer will not retroactively deny coverage for the approved service;

- Guarantees a faster turnaround on PA requests and a streamlined appeals process in the event a prior authorization is denied;
- Creates an opportunity for a year-long PA when a patient has a need for medications to treat a chronic illness.

At least fifteen other states have enacted legislation addressing the issue of prior authorization. And while the legislation varies by state, all include measures that strengthen the communication between patients, providers, pharmacies and insurers, ultimately making the PA process easier for patients to be granted coverage for the care they need.

The OSMA appreciates the efforts by Chair Sears to host a number of interested party meetings on this legislation. The process is still on-going, and there may be additional modifications that will likely be proposed to address some of the issues and concerns raised by the the health insurers. We will look forward to additional dialogue in the hopes of getting a bill that will provide meaningful relief to physician practices on the burdens of PA, while at the same time preserving the ability of the health insurers to conduct their internal utilization management programs.

The Ohio State Medical Association (OSMA) has taken the lead on this legislation and is coordinating a coalition effort with more than 70 other organizations that are supporting the bill. A list of those organizations is attached to this testimony.

**Again, this legislative proposal is a priority issue for the OSMA and we would greatly appreciate your support of SB 129.**

Chair Sears, that concludes my testimony and I would be happy to entertain any questions the committee may have.



*Bringing physicians together for a healthier Ohio*

The Ohio State Medical Association (OSMA) has taken the lead on SB 129, and there are more than 70 (and counting) other organizations that are supporting the bill. They include:

- American Medical Association
- Academy of Medicine of Cincinnati
- The Academy of Medicine of Cleveland & Northern Ohio
- The Academy of Medicine of Toledo and Lucas County
- Akron Children's Hospital
- Alcohol & Drug Abuse Prevention Assn. of Ohio
- American Academy of Pain Management
- American Academy of Pediatrics, Ohio Chapter
- American Cancer Society
- American College of Surgeons, Ohio Chapter
- American Congress of Obstetricians & Gynecologists, Ohio Section
- American Lung Association in Ohio and Michigan
- American Society of Clinical Oncology
- The Arthritis Foundation
- Buckeye Art Therapy Association, Inc.
- Butler County Medical Society
- Cancer Support Community Central Ohio
- Cleveland Clinic
- Cleveland Kidney and Hypertension Consultants, Inc
- Coalition for Healthy Communities
- Columbus Medical Association
- CoverMyMeds
- Drug-Free Action Alliance
- First Dayton Cancer Care
- Holzer Health System
- ID Consultants
- Kettering Health Network
- Kunesh Eye Center, Inc
- Lake Health
- Lorain County Medical Society
- Mental Health & Addiction Advocacy Coalition
- MetroHealth System
- Mount Carmel Health System
- Multiethnic Advocates for Cultural Competence
- National Alliance on Mental Illness of Ohio
- National Association of Social Workers-Ohio Chapter
- National MS Society
- National Patient Advocate Foundation
- North Ohio Heart
- NorthEast Ohio Regenerative Medicine
- Ohio Academy of Family Physicians
- Ohio Association of Child Caring Agencies
- Ohio Association of Community Health Centers
- Ohio Association of County Behavioral Health Authorities
- Ohio Association of Rheumatology
- Ohio Bleeding Disorders Council
- Ohio Chapter of the American College of Cardiology
- Ohio Children's Hospital Association
- Ohio Citizen Advocates for Addiction Recovery
- Ohio Council for Home Care & Hospice
- Ohio Council of Behavioral Health & Family Services Providers
- Ohio Counseling Association
- Ohio Dental Association
- Ohio Dermatological Association
- Ohio Empowerment Coalition
- Ohio Federation for Children's Mental Health
- Ohio Foot and Ankle Medical Association
- Ohio Gastroenterology Society
- Ohio Hematology Oncology Society
- Ohio Hospital Association
- Ohio Ophthalmological Society
- Ohio Optometric Association
- Ohio Osteopathic Association
- Ohio Pharmacy Association
- Ohio Psychiatric Physicians Association
- Ohio Psychological Association
- Ohio State Chiropractic Association
- Ohio Suicide Prevention Foundation
- The Ohio State University, Wexner Medical Center
- OhioHealth
- Orthopedic ONE
- Paul F Vanek Jr, MD, Inc.
- Premier Behavioral Health Services
- Prevent Blindness, Ohio Affiliate
- Sisters of Charity Health System
- Summit County Medical Society
- TWC Pharmacy and Wellness Centers, LLC
- University Hospitals
- Universal Health Care Action Network of Ohio