



SENATOR CAPRI S. CAFARO

32nd Ohio Senate District

Committees:

Medicaid
- Ranking Minority Member
Transportation, Labor, and Commerce
- Ranking Minority Member
Joint Medicaid Oversight Committee
- Ranking Minority Member
Higher Education Finance Subcommittee
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Health and Human Services
Energy and Natural Resources
Joint Legislative Ethics Committee

Senator Capri S. Cafaro - Sponsor Testimony Senate Bill 129- Prior Authorization Requirements Senate Insurance Committee March 24th, 2015

Chairman Hottinger, Ranking Member Brown, and members of the Senate Insurance Committee, thank you for allowing me to testify for Senate Bill 129. This bill will create a standard prior authorization form as well as place a time limit on all prior authorization requests.

Prior authorization is used by insurance companies to ensure that medications and treatments given to consumers are medically necessary and cost effective. In some situations, a pharmacist or health care professional must obtain a prior authorization form from a health plan before they can prescribe sometimes lifesaving, medications and treatments. These forms vary depending on the health insurance company and the providers and pharmacists are left with time consuming paperwork. In turn, many patients face a long delay, 3 weeks on average, before these prior authorization forms are submitted and approved.

SB 129 aims to eliminate the complications many patients face due to these forms. The bill instructs the superintendent of the Ohio Department of Insurance to create a uniform prior authorization form. It must set review criteria to create transparency to the process. This bill also requires all prior authorization requests to have a response within 24 hours for all urgent medical needs and 48 hours for all other medical needs. Failure to comply within the time limit results in an automatic approval. Once a prior authorization form has been approved, an insurance company cannot retroactively deny that request.

It is my hope that this bill creates a better process for all entities involved; the insurance company, pharmacist or doctor, and most importantly, the consumer. Currently insurers can set their own prior authorization standards which can leave

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patients without critical and lifesaving medication and medical services. This bill has already received ample support from many organizations including the Ohio State Medical Association, the Ohio Hospital Association, and the Arthritis Foundation (See Attached).

Thank you again for allowing me this opportunity to offer sponsor testimony for the committee. I would be happy to answer any questions at this time.