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Testimony before the Ohio House Insurance Committee Supporting House Bill 130 June 7, 2023

Chairman Lampton, Vice Chairman Barhorst, Ranking Member Miranda, and members of the House Insurance Committee, thank you for the opportunity to provide written proponent testimony in support of House Bill 130, which creates exemptions to the prior authorization process for health care providers.

One of the nation's leading academic health centers, The Ohio State University Wexner Medical Center offers health care services in virtually every specialty and subspecialty in medicine. Thousands of patients come to us each month for treatments and services they can't find anywhere else. Providing access to health care information is central to our research, education and patient care mission. At Ohio State Wexner Medical Center, we're dedicated to improving health in Ohio and across the world through innovation in research, education and patient care.

The purpose of House Bill 130 is to create a system that reduces the administrative burden created by the prior authorization process for health care providers who meet certain performance measures. Mandatory exemptions to prior authorization requirements would be established for providers who meet the established criteria, a practice commonly known as "gold carding." High performing providers would earn a gold card when at least 80% of the provider's requests for a service, device, or a drug within the prior 12 months have been approved. This gold card would allow these providers to prescribe the specific health care service, device, or drug when clinically indicated, without having to be burdened by prior authorization.

OSUWMC staff are experiencing an increasingly complex prior authorization process environment. One component of the current system involves payers hiring more intermediaries to facilitate aspects of their prior authorization requirements. Some payers are using multiple firms, often with no clarity of which firm to use for which type of service and little coordination between all the firms and the payer itself. This practice has only increased the difficulty and administrative burden of the prior authorization process. Most importantly, it creates delays in needed care and increased anxiety for patients.

Variation in prior authorization process across payers and lack of standardization even within a given payer is another significant challenge. We often work with payers with different prior authorization request requirements across different plans that it oversees. For example, one of our payers has over 400 separate plans we have to navigate, most of which have different prior authorization requirements and processes to follow.

Overly onerous prior authorization requirements also contribute to the workforce challenges continuing to be experienced by health care providers. According to recent data from the American Hospital

Association, 95% of hospitals and health systems report increases in staff time spent seeking prior authorization approval and 84% say the cost of complying with insurer policies is increasing.

OSUWMC supports passage of House Bill 130. This legislation would represent an important step in reducing the administrative burden created by the prior authorization process and allowing providers to spend more time and resources on patient care.

We appreciate your interest in this critical issue and look forward to continuing to work with you to achieve meaningful progress.