

**Statement of the Ohio State Medical Association  
to the House Insurance Committee  
Proponent Testimony  
HB 130 – Prior Authorization Gold Card  
Presented by Monica Hueckel, VP, Advocacy**

**May 22, 2024**

Thank you, Chair Lampton, Vice Chair Barhorst, Ranking Member Jarrells, and members of the House Insurance Committee for the opportunity to testify today regarding substitute House Bill 130. My name is Monica Hueckel and I am here again today to testify in strong support of this legislation on behalf of the Ohio State Medical Association (OSMA), the state's oldest and largest professional organization representing Ohio physicians, medical residents, and medical students.

I was here to give proponent testimony in June of last year, and since then there has been significant work done on this legislation, and as you know, a substitute bill was introduced and accepted by committee in February. This substitute bill is the product of a lot of discussion among the interested parties and in response to opposition, we have worked alongside the sponsor and made numerous concessions, including the following changes:

- The original version of the bill required health insuring corporations, sickness and accident insurers, and the Medicaid program to exempt a service, device, or drug from a prior authorization requirement if during the preceding 12 months, the prior authorizations for the service, device, or drug from the health provider were approved at a rate or at least 80%, but the substitute bill removes this requirement with respect to drugs;
- The substitute bill increases the threshold for previously approved prior authorization requests from 80% to 95%;
- The substitute bill also requires a health care provider or provider group to submit at least 20 prior authorization requests for the service or device during the 12 months preceding the exemption period to qualify for a prior authorization exemption; and,
- The bill as introduced required, at the end of a 12-month exemption period, each health insuring corporation, sickness and accident insurer, and the Medicaid program to review ten claims from the preceding three months, unless there are fewer than ten claims during that period. The substitute version increases that number from 10 to 20.

The changes included in substitute HB 130 are concessions which alleviate some of the concerns raised in the original version, but the substitute bill retains its impact on reducing the burden of prior authorization, which as you have heard before is frequently cited by physicians, their medical staff, and patients as a major contributor to delays in care, which can be detrimental to health outcomes. As a reminder, according to a survey done by the American Medical Association (AMA) in 2021, 93% of physicians reported care delays resulting from prior authorization, and one-third of providers indicated that prior authorization had caused a delay in care that led to a serious adverse health event for one of their patients.<sup>1</sup> Here in Ohio, OSMA consistently hears from our members with concerns about how prior authorization currently works and the negative impact it has upon their ability to provide efficient, high-

quality, day-to-day care to their patients. Many practices and institutions in Ohio and nationwide find themselves having to hire full time staff members solely to work on prior authorizations in order to have any hope of staying afloat and keeping up with the amount of work the process requires. As also reported in the AMA's Prior Authorization Physician Survey, physicians and their staff spend more than 13 hours per week, which is the equivalent of over two business days of work on prior authorizations.

OSMA, along with a large coalition of over 30 Ohio healthcare associations, organizations, patient advocacy groups, and medical practices, urges support for substitute House Bill 130 as it represents a solution to ease the hassle of prior authorization. We believe that creating a process to reward high performing health care providers who are consistently adhering to evidence-based medicine in this way is a common sense proposal that will streamline health care, reduce barriers to care, and eliminate excessive red tape and overregulation faced daily by our health care providers.

As always, OSMA appreciates the committee for your attention to our comments on this legislation, as well as the opportunity to be a meaningful contributor to the legislative process. Thank you and I would be happy to answer any questions.

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<sup>i</sup> American Medical Association, 2022 AMA prior authorization (PA) physician survey, <https://www.ama-assn.org/system/files/prior-authorization-survey.pdf>