



Physicians Caring for Texans

Senate Finance Committee
Prior Authorization: Gold Carding and Peer-to-Peer Review
House Bill 3459 by Rep. Greg Bonnen, MD/Sen. Dawn Buckingham, MD
Testimony by Lisa Ehrlich, MD

Thank you, Chairwoman Nelson and committee members, for allowing me to testify today. My name is Dr. Lisa Ehrlich, and I am an internist from Houston. Today, I will be testifying on behalf of the Texas Medical Association and its now more than 55,000 members across the state of Texas in **support** of House Bill 3459.

I want to start off by thanking Rep. Greg Bonnen, MD, and Sen. Dawn Buckingham, MD, for filing this legislation. This is so critical to patient care and the way it is delivered.

Working with my patients every day I find the use of prior authorization by health plans anything but healthy for the patient. The delays and ill effects that could have been avoided are tremendous, all for what seems to be just the insurers padding their bottom line.

The Texas Medical Association's polling of its physicians revealed that 80% of physicians feel the burden of prior authorization for medical services has increased, while 85% say it has increased for prescription medications.

If we want to talk mandates, prior authorization is really a mandate on our practices, as almost half of Texas physicians' practices have had to hire staff solely to work on prior authorizations. If we did not, we would not be able to spend ample time with our patients.

Furthermore, 78% of physicians said prior authorizations have led to patient abandonment of care, and 38% said it affected care delivery and led to a serious adverse event.

Thank you again for allowing me to testify, and I am happy to answer any questions.



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**Senate Finance Committee
No Prior Authorization for Mandated Benefits
House Bill 3459 by Rep. Greg Bonnen, MD/Sen. Dawn Buckingham, MD
Testimony by Debra Patt, MD**

Thank you, Chairwoman Nelson and committee members, for allowing me to testify today. My name is Dr. Debra Patt, and I am an oncologist here in Austin. I also serve as the chair of Texas Medical Association's Council on Legislation. In my day job as an oncologist, I serve as the vice president of Texas Oncology and our 225 service sites around the state of Texas.

Today, I will be testifying on behalf of TMA and its now more than 55,000 members, as well as Texas Oncology in **support** of House Bill 3459.

In November, TMA did a statewide voter survey and found that one in four Texas patients have had health plans refuse to cover their doctors' recommended care.

As a result, 64% of patients who are denied care either pay for it themselves, go without, or suffer consequences of not receiving care.

This cost shifting to patients that can lead to personal harm is simply unacceptable. Premiums continue to increase, even in a time of pandemic, and *The Dallas Morning News* reported record health plan profits. We have to ask ourselves, what are patient premium dollars being used for?

Patients and physicians would like to reduce the intrusive effect that prior authorizations have on the patient-physician relationship so the care Texans truly need to keep healthy are provided in a timely, efficient manner.

I find it interesting that there has been rhetoric about HB 3459 being a mandate on health plans, when prior authorization is really a big insurance mandate on patient care and an abuse of the system to delay patient care, frequently to the detriment of patients and the health care system as a whole.

Why delay it? When you are a big health plan, delaying care means delaying payment, which means holding onto the payment dollars longer and gaining more interest. While a clever business tactic, it is done on the backs patients and delaying their care.

Again, thank you, Madam Chair and committee members for allowing me to testify today in **support** of HB 3459. I appreciate your work to create efficiencies with prior authorizations for patients and physicians and am happy to answer any questions.



Physicians Caring for Texans

Senate Finance Committee
Prior Authorization: Gold Carding and Peer-to-Peer Reviews
House Bill 3459 by Rep. Greg Bonnen, MD/Sen. Dawn Buckingham, MD
Testimony by Zeke Silva, MD

Thank you, Chairwoman Nelson and committee members, for allowing me to testify today. My name is Dr. Zeke Silva, and I am physician specializing in radiology from San Antonio. Today, I will be testifying on behalf of the Texas Medical Association and its more than 55,000 members across the state of Texas **“FOR”** House Bill 3459.

While health plans claim prior authorization provides for evidence-based health care, their standards for review can be far from it.

In a nationwide prior authorization study released last month by the American Medical Association, 32% of physicians reported they find prior authorization criteria are rarely or never evidence-based.

Furthermore, it was revealed that nationwide, physicians’ practices are having to do 40 prior authorizations per week, while 40% of physicians nationwide have staff who work exclusively on prior authorizations – and in Texas its even higher, at 48%.

Eighty-five percent of physicians say the burden in general is extremely high, and on average physicians spending 16 hours a week, or two days, on prior authorizations.

Some additional key takeaways are as follows:

- 94% of physicians saw delays in care.
- 79% reported that prior authorization sometimes leads to total abandonment of care for patients they treat.
- 21% say a prior authorization has led to hospitalization of a patient.
- 18% say that a prior authorization has led to a life-threatening event or required intervention to prevent permanent damage or impairment.
- 9% report that prior authorization has led to a patient’s disability or permanent bodily damage, congenital anomaly, birth defect, or death.

The argument can be made, or the question asked – why not just file a complaint if the process is so abused?

Physicians fear filing complaints against health plans, as health plans control their contracts for payment and a patient base, and can threaten cancellation, or audits of our practices.

Thank you again for allowing me to testify, and I am happy to answer any questions.