



LD 1383 An Act to Regulate Insurance Carrier Prior Authorization Requirements for Physical and Occupational Therapy Services

Testimony in Support April 13, 2023

Senator Bailey, Representative Perry and members of the Health Coverage, Insurance and Financial Services Committee, my name Lisa Harvey-McPherson RN. I am here today providing testimony on behalf of Northern Light Health and our member organizations providing testimony in support of this bill. Northern Light Health member organizations include 10 hospitals located in southern, central, eastern and northern Maine, 8 nursing facilities, air and ground ambulance, behavioral health, addiction treatment, pharmacy, primary and specialty care practices and a state-wide home care and hospice program. Ninety three percent of Maine's population lives in the Northern Light Health service area. Northern Light Health is also proud to be one of Maine's largest employers with more than 10,000 employees statewide.

I want to begin by thanking Senator Brenner for sponsoring this important legislation. Carrier administrative burdens and delayed authorizations are negatively impacting therapy patients in our care. Carrier response time often does not allow for treatment to begin when it should or allows for only the evaluation to occur. This results in waiting for follow-up treatments which are time sensitive but delayed due to lack of timeliness in carrier authorization.

Concerns expressed by our physical therapists and occupational therapists are consistent and statewide. Prior authorization burdens include:

- A process so highly inefficient and burdensome that staff are employed to manage the prior authorization work
- Each carrier has a different prior authorization process that results in a highly inefficient workflow
- One carrier contracts with a third party for prior authorization, the online process then results in a lengthy call with our therapists only to have a limited number of visits approved. The online service and the carrier are not always in agreement on prior authorization of services.
- Carrier clinical review often does not consider the recommendations of the physician and therapist conducting the initial evaluation.
- Acute post operative outpatient therapy visits are delayed waiting for authorizations followed by additional delays when additional visits are required
- Authorization for additional visits includes sending clinical documents, making follow up calls, some require a "peer to peer" phone call between the therapist and the insurance companies' clinical reviewer. This results in two outcomes, approval for a few limited number of additional therapy visits or most often a denial of additional care.

Northern Light Health
Government Relations
43 Whiting Hill Road
Brewer, Maine 04412

Office 207.861.3282
Fax 207.861.3044

Northern Light Health
Acadia Hospital
A.R. Gould Hospital
Beacon Health
Blue Hill Hospital
C.A. Dean Hospital
Eastern Maine Medical Center
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- Carriers are inconsistent in covering retroactive care when therapists provide services medically necessary for the patient.

This bill prohibits prior authorization for new episodes of care for the first 12 visits and prohibits prior authorization for physical medicine or rehabilitation services provided to patients with chronic pain for the first 90 days following diagnosis. The bill also establishes standards for timing of approvals, retroactive authorization and appeal.

We ask that you support this important legislation. Thank you.