Written Testimony in Support of

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

Public Hearing, April 13, 2023

Senator Bailey, Representative Perry and Honorable Members of the Committee on Health Coverage, Insurance and Financial Services,

My name is June Tait. I am a resident of Yarmouth and the owner of Scarborough Physical Therapy Associates for 29 years. I currently employ 25 people and serve about 1500 patients yearly totaling about 14,000 PT visits annually. I brought with me today my practice administrator, Melanie Blaney, and my billing manager, Anne Ryan, in case you have any questions that they are best able to answer. I have included their written testimony with mine.

The requirement to obtain prior authorization for physical therapy services is not new and we are not opposed to prior auth procedures when they are appropriate. For instance, Martin's Point approves a reasonable number of visits based on our exam findings and plan of care. CIGNA's utilization review entity, ASH, has a tiering system. We are in ASH's top tier and don't have to get prior authorization at all. Even ASH's lower tiers approve requests for additional visits based on clinical data.

In 2019, Anthem BCBS began requiring prior authorization from their subsidiary, AIM which is now Carelon, for all of their fully insured health plans. AIM's prior auth decisions are not clinically based. They do not allow us to request the number of visits we need for patient care. They just arbitrarily approve visits in a pattern of 6, then 4, then 1-2 visits. They wear us down with increasingly burdensome paperwork to get fewer and fewer visits – which causes interruptions and delays in patient care. As an employer, I decided to leave Anthem as the health Insurance offered to my employees because one of my employees had her post surgical PT denied by AIM even though it was medically necessary. My employee's care was interrupted for an independent medical review which was ultimately decided in favor of my employee. I expect better care for my employees.

It takes our admin staff 2-3 hours to submit the paperwork for the first 10-12 visits that AIM's computerized platform automatically approves. This has resulted in at least a 20% increase in my cost to deliver care for every Anthem patient. I've not had a meaningful increase in Anthem reimbursement in at least 19 years. In fact, my clinic had a painful cut of nearly 20% of reimbursement from Anthem in 2006 and we continue to be reimbursed less today than we were in 2005. Anthem rejected our request for a reimbursement rate increase last year. The increased work for less pay is unsustainable and my staff are increasingly frustrated, as is reflected in their attached letters. I definitely don't want to lose staff!

Anthem represents about 30% of my total patients so I cannot go out of network with them without going out of business. So please vote "Ought to Pass" on LD 1383 so we can at least

eliminate these unnecessary prior auth requirements that are driving up my costs and interfering with patient care.

I'm happy to answer any questions you may have.

Respectfully,
June Tait, PT
Scarborough Physical Therapy Associates, PA
Owner