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**LD 1496 An Act to Ensure Ongoing Access to Medications and Care for Chronic  
Conditions and Conditions Requiring Long-term Care by Changing Requirements for  
Prior Authorizations**

**Testimony in Support  
April 24, 2025**

**Northern Light Health**  
Acadia Hospital  
A.R. Gould Hospital  
Blue Hill Hospital  
C.A. Dean Hospital  
Eastern Maine Medical Center  
Home Care & Hospice  
Inland Hospital  
Maine Coast Hospital  
Mayo Hospital  
Mercy Hospital  
Northern Light Health Foundation  
Northern Light Pharmacy  
Sebastcook Valley Hospital

Senator Bailey, Representative Mathieson and members of the Health Coverage, Insurance and Financial Services Committee, my name is Lisa Harvey-McPherson RN. I am speaking today on behalf of Northern Light Health and our member organizations 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.

In February of this year the American Medical Association published survey results on the growing burden of prior authorization on physicians and patients. Of the surveyed physicians, 93% reported that PA causes patient care delays, with 82% stating it can sometimes lead to treatment abandonment. Additionally, 94% said that PA has a somewhat or significantly negative impact on patient clinical outcomes, with more than 1 in 4 (29%) reporting that it caused a serious adverse event for a patient in their care. PA also significantly increases costs to the health care system, as 88% of physicians reported higher overall resource utilization. Because of PA requirements and delays, patients often endure ineffective initial treatments, require additional office visits, seek immediate or emergency care, or face hospitalization.

This bill addresses the prior authorization burden for patients with chronic conditions. In general, chronic conditions are health conditions that can last a year or a lifetime and require ongoing treatment and medical management. Ongoing care includes regular medical visits with the primary care provider, screening and diagnostic testing to monitor the status of the medical condition and coordination of treatment including medication management along with ongoing patient education. Today providers are burdened with prior authorization tasks for predictable long-term management of chronic conditions.

This bill requires that a prior authorization for health care services remain valid for the duration of the treatment or one year, whichever is longer. It prohibits a health care plan from requiring the renewal of a prior authorization more frequently than once

every 5 years for treatment that is necessary for more than one year. It also prohibits a health care plan from restricting coverage for a health care service or a prescription that was approved under a previous health care plan within 90 days of enrollment in the new health care plan and requires a health care plan to provide at least 90 days' notice to an enrollee prior to restricting coverage of a previously approved health care service.

This bill is focused on chronic treatment and medications, we ask that this bill be expanded to include diagnostics for chronic conditions. Examples of diagnostics include:

- A child has survived cancer after treatment with chemotherapeutics which can have long term consequences particularly for structural cardiac disease. Periodic echocardiograms are recommended for life-long surveillance. Each echocardiogram requires a prior authorization
- A patient has a growth hormone producing pituitary tumor removed. Follow up laboratory studies are required to ensure that both necessary pituitary function is preserved, and early recurrence of the tumor is noted. Some of the labs are not ordinary so they require a prior authorization each time they are ordered.

Thank you for the opportunity to comment on this important legislation.

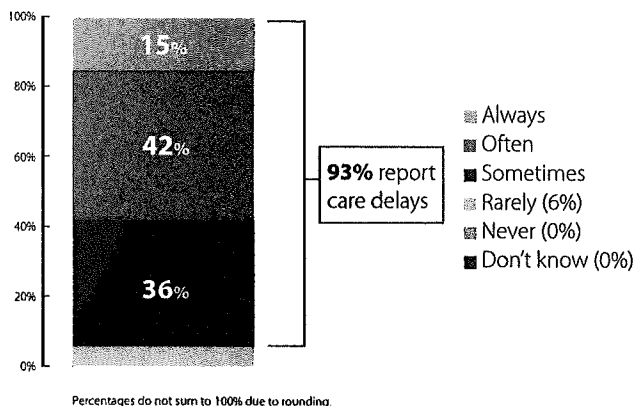
Prior authorization (PA) is a health plan cost-control process that requires health care professionals to obtain advance approval from the health plan *before* a prescription medication or medical service qualifies for payment and can be delivered to the patient. While health plans and benefit managers contend PA programs are necessary to control costs, physicians and other providers find these programs to be time-consuming barriers to the delivery of necessary treatment.

To assess the ongoing impact the PA process has on patients, physicians, employers and overall health care spending, the American Medical Association (AMA) annually conducts a nationwide survey of 1,000 practicing physicians (400 primary care/600 specialists) from a wide range of practice settings. As this year's findings demonstrate, the PA process continues to have a devastating effect on patient outcomes, physician burnout and employee productivity. In addition to negatively impacting care delivery and frustrating physicians, PA also leads to unnecessary spending (e.g., additional office visits, unanticipated hospital stays and patients regularly paying out-of-pocket for care).

## Patient impact

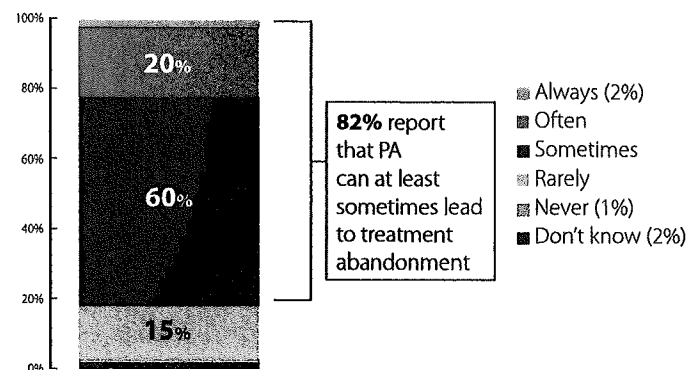
### Care delays associated with PA

**Q:** For those patients whose treatment requires PA, how often does this process delay access to necessary care?



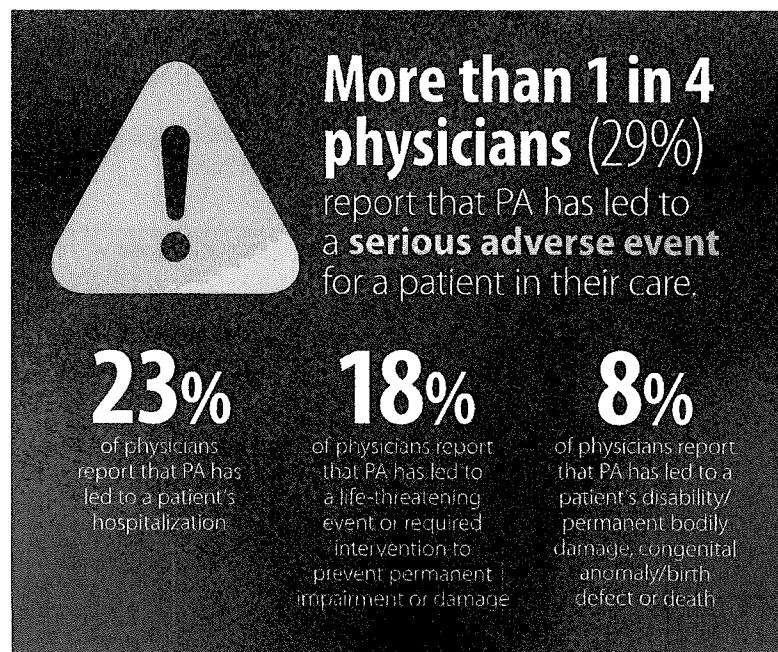
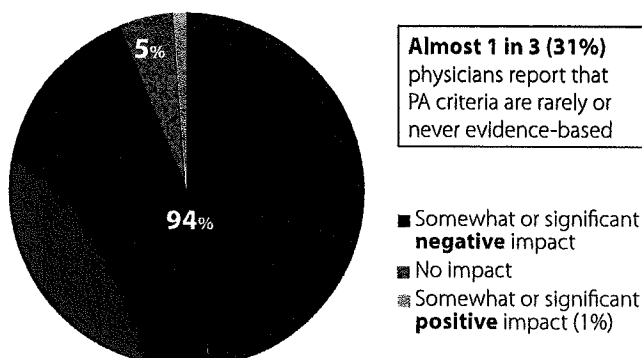
### Treatment abandonment due to PA

**Q:** How often do issues related to the PA process lead to patients abandoning their recommended course of treatment?



### Impact of PA on clinical outcomes

**Q:** For those patients whose treatment requires PA, what is your perception of the overall impact of this process on patient clinical outcomes?



## Physician impact

PA leads to substantial administrative burdens for physicians, taking time away from direct patient care, while costing practices money and significantly contributing to physician burnout. PA undercuts the financial stability of physician practices that are already struggling to stay solvent in this time of dwindling Medicare payments.

On average, practices complete

# 39

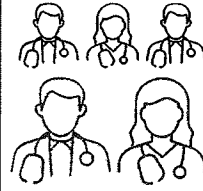
PAs per physician, per week

Physicians and their staff spend

# 13

HOURS

each week completing PAs



# 40%

of physicians have staff who work exclusively on PA

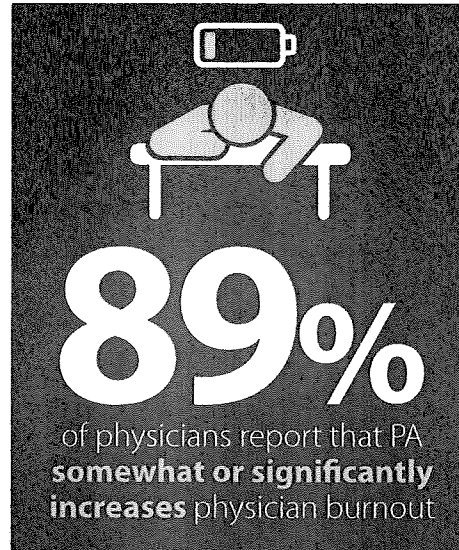
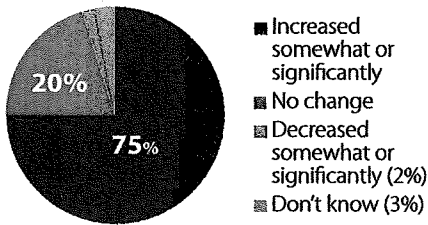
### PA denials

Nearly

# 1 in 3 (31%)

physicians report that PAs are **often** or **always** denied

**Q:** How has the number of PA denials changed over the last five years?



### PA appeals

# 1 in 5 (20%)

physicians report that they **always** appeal an adverse PA decision

**Why don't physicians appeal?**

**67%** report that they do not believe the appeal will be successful based on past experience

**55%** report that they have insufficient practice staff resources/time

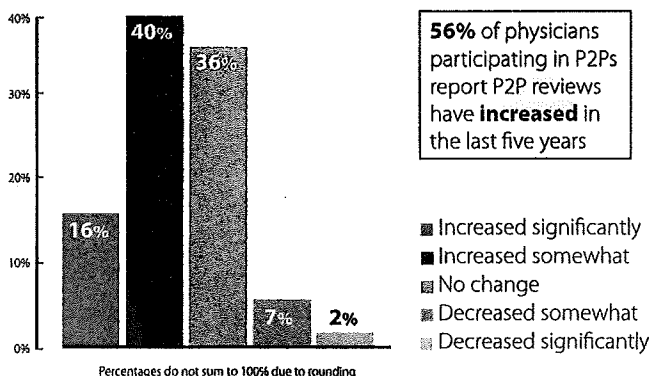
**53%** report that patient care cannot wait for the health plan to approve the PA

# 61%

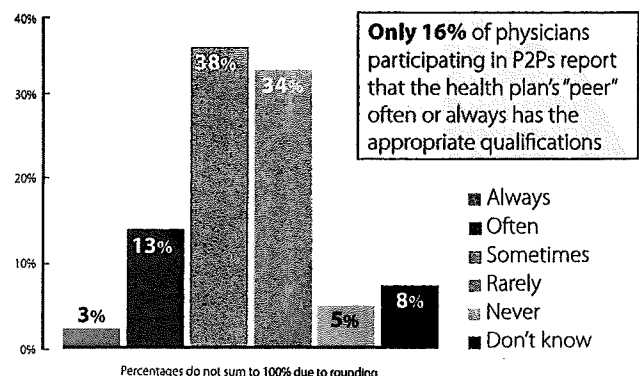
of physicians report that they are **concerned** that augmented intelligence (AI) increases/will increase PA denial rates

When navigating the PA process, especially when appealing an adverse health plan PA decision, physicians are often required to participate in a "peer-to-peer (P2P) review" with a health plan representative. In fact, **almost two out of three physicians (65%)** report **at least sometimes** having to participate in P2P reviews. Because P2P reviews require the physician to speak directly with a health plan representative, P2P reviews can disrupt patient appointments and consume significant physician time.

**Q:** How has the frequency of peer-to-peer reviews during the PA process changed over the last five years?



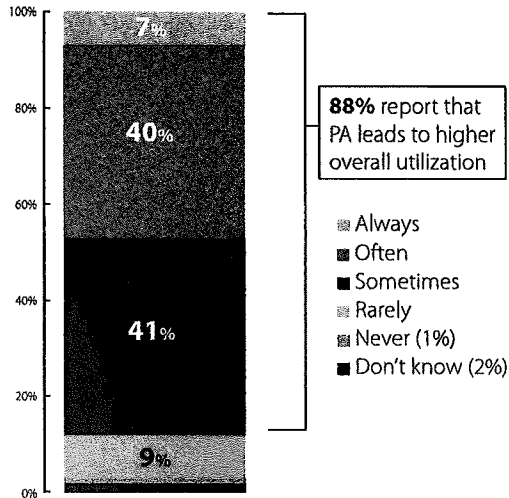
**Q:** How often does the health plan's "peer" have the appropriate qualifications to assess and make a determination regarding the PA request?



## What is the cost of PA?

Not only does PA negatively impact patient care and significantly contribute to physician frustration and burnout, it also adds **significant costs to the entire health care system**. For example, patients are often forced to try ineffective treatments and/or schedule additional office visits because of PA requirements and delays. These delays inevitably lead patients to seek more expensive forms of care, including emergency room (ER) visits, and can even lead to unexpected hospitalization.

**Q:** Please consider how your patients' utilization of health care resources is impacted by the PA process. In your experience, how often does the PA process lead to higher overall utilization of health care resources?



**Q:** In which of the following ways has the PA process led to higher overall utilization of health care resources for patients in your care?

**77%**  
report ineffective initial treatment (e.g., due to step therapy requirements)

**73%**  
report additional office visits

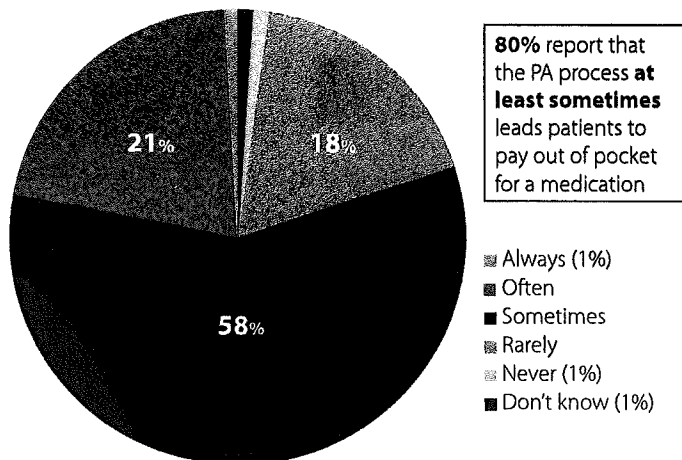
**47%**  
report immediate care/ER visits

**33%**  
report hospitalizations

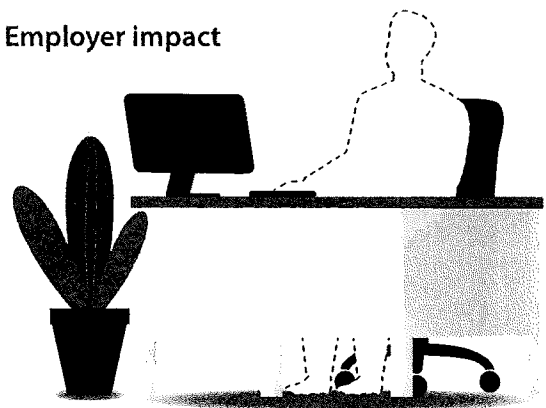
In addition to higher health care resource utilization, PA can lead to other negative financial impacts for both employers and patients. Employers may face reduced productivity if PA causes employees to miss work due to rescheduled appointments or continued illness while waiting for care. In other situations, patients may pay out of pocket rather than endure PA-related care delays. Both scenarios raise serious questions about the overall value proposition of PA.

### Patient out-of-pocket costs and PA

**Q:** How often does a PA delay or denial lead to a patient paying out of pocket for a medication that you prescribe (i.e., the health plan does not cover the prescription and the patient pays the full cost)?



### Employer impact



**58%** of physicians with patients in the workforce report that PA has impacted patient job performance

# Health plan PA performance

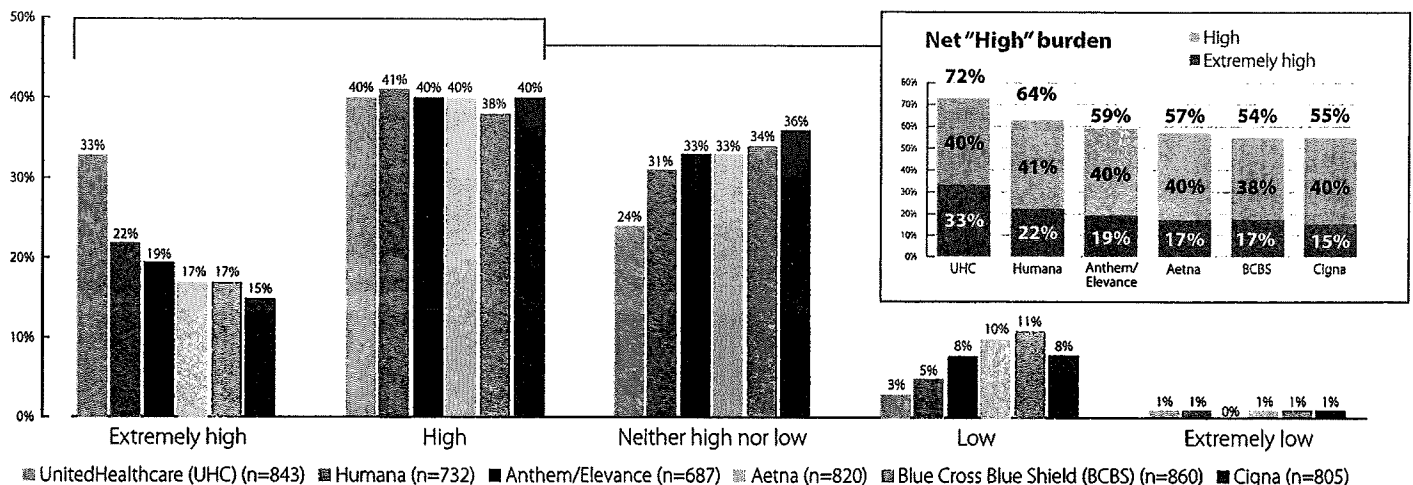
To reduce administrative burdens and promote access to safe, timely care, the AMA, along with the American Hospital Association, American Pharmacists Association, Medical Group Management Association, America's Health Insurance Plans, and Blue Cross Blue Shield Association, released the "Consensus Statement on Improving the Prior Authorization Process" (CS) in January 2018.<sup>1</sup> Unfortunately, despite being released **nearly seven years** before this survey was fielded, physicians report that health plans have made little progress honoring their commitments as outlined in the CS.

CS category	What do the numbers say?
<b>Selective application of PA</b>	<ul style="list-style-type: none"> <li>Only <b>10%</b> of physicians report contracting with health plans that offer programs that exempt providers from PA (e.g., gold card programs).</li> </ul>
<b>PA program review and volume adjustment</b>	<ul style="list-style-type: none"> <li>A strong majority of physicians report that the number of PAs required for prescription medications* (<b>84%</b>) and medical services* (<b>82%</b>) has <b>increased</b> over the last five years.</li> <li>Nearly 3 out of 5 (<b>58%</b>) physicians* report that the number of generic medications that require PA has <b>increased</b> over the last five years.</li> </ul>
<b>Transparency and communication regarding PA</b>	<ul style="list-style-type: none"> <li>A majority of physicians report that it is <b>difficult to determine</b> whether a prescription medication* (<b>65%</b>) or medical service* (<b>61%</b>) requires PA.</li> <li>Nearly <b>one in three (30%)</b> physicians* report that the PA requirement information provided in their electronic health record (EHR)/e-prescribing system is <b>rarely or never</b> accurate.</li> </ul>
<b>Continuity of patient care</b>	<ul style="list-style-type: none"> <li>An overwhelming majority (<b>89%</b>) of physicians report that PA interferes with continuity of care.</li> <li><b>More than three in five (61%)</b> physicians report that PA <b>at least sometimes</b> destabilizes a patient whose condition was previously stabilized on a specific treatment plan.</li> </ul>
<b>Automation to improve transparency and efficiency</b>	<ul style="list-style-type: none"> <li>Physicians report <b>phone</b> as the most commonly used method for completing PAs.</li> <li><b>Only 23%</b> of physicians report that their EHR system offers electronic PA for prescription medications.</li> </ul>

\* Only respondents who reported completing prescription medication PAs were presented with this question.  
 † Only respondents who reported completing medical services PAs were presented with this question.

While UnitedHealthcare (UHC) and Cigna announced reductions in the number of services that require PA in 2023,<sup>2</sup> only **16%** of physicians who work with UHC and **16%** of physicians who work with Cigna reported that these changes have reduced the number of PAs completed for these plans. In addition, physicians report consistently high PA burdens across major health plans, despite the commitments made in the CS.

**Q:** How would you describe the burden associated with PA in your practice for the following health plans?



Note: For each health plan, physicians who responded "don't know" or "I don't work with this health plan" were excluded from the analysis. Percentages may not sum to 100% or to the "Net High" burden due to rounding.

## Survey methodology

- Forty-three question, web-based survey administered in December 2024
- Sample of 1,000 practicing physicians drawn from Medscape panel
- Forty percent primary care physicians/60% specialists
- Sample screened to ensure that all participating physicians:
  - Are currently practicing in the United States
  - Provide 20+ hours of patient care per week
  - Complete PAs during a typical week of practice
- Complete survey questions can be found here <https://www.ama-assn.org/system/files/ama-prior-authorization-survey-question-list.pdf>

## References

- "Consensus Statement on Improving the Prior Authorization Process" available at: <https://www.ama-assn.org/sites/ama-assn.org/files/corp/media-browser/public/arc-public/prior-authorization-consensus-statement.pdf>, Accessed on Feb. 24, 2025
- "2 big insurers take small steps to ease prior authorization burden" available at: <https://www.ama-assn.org/practice-management/prior-authorization/2-big-insurers-take-small-steps-ease-prior-authorization>, Accessed on Feb. 24, 2025