130th Legislature
Senate of Maine
Senate District 20

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Introducing LD 523, "An Act Regarding Prior Authorizations for Prescription Drugs"

Joint Standing Committee on Health Coverage, Insurance and Financial Services

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Senator Sanborn, Representative Tepler, and respected Members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, my name is Ned Claxton, and I serve Senate District 20, which includes Auburn, Minot, Mechanic Falls, Poland and New Gloucester. I am here today to introduce LD 523 "An Act Regarding Prior Authorizations for Prescription Drugs."

As an individual, it has been frustrating and time-wasting to go to a pharmacy to pick up my medicine only to find out that the medicine isn't covered at a reasonable co-pay on my carrier's approved list**.** That will be **$**385 for this 90-day prescription. Many of us have had that happen. That starts the back-and-forth process to determine whether to stick with the prescribed medicine by seeking prior authorization - not so 'prior' for the patient waiting at the pharmacy, or to switch to an alternative and covered medicine. I knew what to do: 'What is the 340b price? Has the FDA released the generic yet', but not everyone does.

As a physician, much of the back and forth was a huge waste of time for me and my staff and a source of significant frustration for me and the whole office. Most of my PA's were approved after some delay but I rarely knew if my patient didn't bother to return to get their medicine. Studies have shown that occurs about a third of the time when there is a delay in filling a prescription because of PA challenges. It makes for bad medicine.

This legislation will make those types of occurrences much less common. By providing prescribers with real-time feedback on whether a prior authorization is needed if a request has been approved, patients will get their medicines more quickly, with less hassle, and providers will know that their PA was approved or not.

As the 'Approved List' migrated from paper to computer, some of the challenges of knowing what is covered by a carrier and what isn't were addressed. In the paper world, for those not computerized, that meant trying to find the latest printing of the OK list. In the electronic world

it is much easier IF the lists are promptly updated as soon as they change, but that doesn't happen all the time.

Establishing real-time electronic communication between the provider and the carrier would improve access to medicines for the patient, improve workflow for provider offices and make for better healthcare. This bill requires that a carrier adopt an accepted electronic standard and establish bi-directional real-time flow of prior authorization data.

As much as I didn't consistently appreciate or value prior authorizations, they do have value. I accept that they can be useful to carriers, patients and providers. It is when PA's interfere with care that I get frustrated and want to decrease the barriers to care that they sometimes create. This is not an unreasonable thing to insist on. Medicare took a big step in that direction with the February 1st provision that Part D carriers needed to establish an electronic platform on which to exchange data in real-time with providers.

Yes, there is good work being done to make such an exchange work better and faster. Several companies have emerged that offer resources to address this need. But without a mandate, the wait for a perfected system becomes the enemy of having a good system that is expected to get better. If it's not achievable for some reason, in spite of the fact that some insurers have been successful at it, there are 'outs' built into the bill. Those provisions should allow us to insist that progress be made over the next 21 months to assure that the prior authorization process is not a barrier in establishing better care.

Thank you for the opportunity to present this bill and I welcome any questions you might have.