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**Testimony of Peter Hayes
to the Joint Standing Committee on Health Coverage, Insurance and Financial Services**

Neither For Nor Against

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

April 13, 2023

Good afternoon Senator Bailey, Representative Perry, and Members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services.

My name is Peter Hayes and I'm the President and CEO of the Healthcare Purchaser Alliance of Maine. The HPA is a nonprofit that represents the purchasers of healthcare in Maine. Our mission is to advance healthcare value and to support and incentivize high-quality, affordable care. We have over 60 members, including some of the largest public and private employers and health trusts in Maine. Collectively, our members spend over a billion dollars annually providing health care for nearly one quarter of the commercially insured population in the state.

I'm here today to testify neither for nor against LD 1383. We appreciate the concerns raised by bill supporters regarding the administrative requirements created by PT prior authorization processes, and we hope that the concerns shared today can spur conversation among the various stakeholders to consider improvements to the process that address some of the administrative concerns and delays raised by clinicians, while preserving an essential plan management tool for screening out inappropriate or over-utilized care and services.

Prior authorizations are an essential tool that plan sponsors leverage to ensure that plan resources are focused on appropriate care and guard against over-utilization. We don't believe that the solution to these administrative issues is to eliminate prior authorizations. Rather, we think the solution is to try to fix those issues so that we have a prior authorization system that meets the needs of plan sponsors without over-burdening clinicians with unnecessary paperwork.

I hope that today's public hearing can serve as a catalyst for conversations among stakeholders on how to revise prior authorization processes to respond to the concerns raised here this afternoon. I believe that such a collaborative effort would more effectively address clinician concerns while preserving essential oversight.

Thank you for the opportunity to share HPA's feedback on LD 1383. I'd be happy to answer any questions and will be available for the work session.