Children's MINNESOTA

The Kid Experts™

February 28, 2024
House Commerce Finance and Policy Committee

Dear Chair Stephenson and Committee Members,

On behalf of Children's Minnesota, I am writing in support of HF3578 which makes changes to prior authorization requirements that would reduce a burden that too often impacts the patients and families we serve.

Children's Minnesota is the state's largest pediatric healthcare system, seeing more than 160,000 kids annually. In 2023, the 30 members of our prior authorization team worked to complete over 81,000 requests for nearly 58,000 individual patients. These were children suffering from cancer, heart conditions, asthma and other diseases that needed prior authorization (PA) approvals before our clinicians could treat them with the appropriate medications and health care services.

In one patient's case, an initial PA request for a cancer treatment drug was denied because the drug requested was not the preferred drug by the insurer, even though it followed the recommended standard of care. In another case a request for a liquid form of medication to treat a cardiovascular condition was denied and a tablet was suggested instead. The patient was 2 months old and the medication in tablet form could not be dosed or administered appropriately for a child of that age and size. Getting PA approvals for liquid medications that can be appropriately dosed for young children has also been a challenge for patients in hospice or those experiencing neonatal withdrawal.

Our prior authorization team and members of the care teams treating these children work tirelessly on cases like these, spending hours working on individual PA requests while also trying to protect patient families from additional worries and concerns. After going back and forth with denials and appeals on these cases, over 95% of these requests eventually do get approved, but too often the time it takes to complete the process threatens to delay patient care leaving families to make a difficult decision to move forward with their child's treatment without knowing if it will be covered by their insurance.

When a family comes to us with a sick child, they should not have to wait for cumbersome processes to be completed before being able to access the treatment their child needs to get better. I hope we can count on your support for HF3578.

Sincerely,

Amanda Jansen, MPP
Director of Public Policy
Children's Minnesota

February 26, 2024

To: Chair Stephenson and Members of the House Commerce Finance and Policy Committee

RE: HF3578

Dear Chair Stephenson and Members of the House Commerce Finance and Policy Committee,

The Cigna Group is a global health services company dedicated to improving the health, well-being and peace of mind of those they serve. Cigna delivers choice, predictability, affordability, and access to quality care through integrated capabilities that advance whole person health.

We respectfully oppose HF3578 as it is currently drafted. While not an exhaustive list of our issues with the bill language, I would like to highlight two primary concerns: Prior authorization exemption and potential conflicts with Federal regulations. As both a health insurer and a utilization review organization, Cigna can bring a unique perspective to the conversation.

Section 8: Prior authorization exemption process

The exemption process established in Section 8 would have several serious negative impacts, most notably it would increase inappropriate care and costs while not positively impacting patient outcomes.

The exemption process set forth in HF3578 is flawed policy that has not worked in practice, and is built on a flawed premise, which asks patients to accept that even the best providers will get their care wrong **30%** of the time and remain completely unchecked.

The State of New Jersey produced a fiscal note on their prior authorization bill (AB1255) that has both prescriptions and services is scope, similar to HF3578. While the fiscal note determined an "indeterminant" impact, Legislative Services indicated that prior authorization saves the state $177 million annually.

The actuarial firm Milliman, the same firm that produced the study on public option for Minnesota, produced a study on the elimination of prior authorization in Massachusetts. While HF3578 doesn't explicitly eliminate prior authorization, setting the exemption at the 70th percentile will effectively end prior authorization. Milliman found that commercial premiums could increase by between roughly $600 and $1,500 per member annually and Medicaid capitation rates could increase by between $270 and $1,100 per beneficiary annually if prior authorization were eliminated. This would result in an additional $5.5 billion in premium costs annually for commercial plans, and close to $3.5 billion in costs for Medicaid when applied to current enrollment in Massachusetts.

This fiscal impact should be considered prior to moving this bill forward.

Simply because a provider reaches an approval rate in the 70th percentile, does not mean they will continue to order appropriately in the absence of a utilization review program. In fact, this exemption process has been shown to be unsuccessful in encouraging long-term, positive behavior change. A study published in *The New England Journal of Medicine* found that when incentives were removed for physicians in U.K. primary care practices, there were immediate reductions in documented quality of care across 12 indicators. Conversely, there was little change in performance on the six quality measures for which incentives were maintained. In another real-world illustration, a state Medicaid program implemented an obstetric ultrasound utilization review

program, which used evidence-based guidelines to determine whether care was appropriate. After the program had been underway, it was temporarily changed to "notification only". Utilization increased 27% during the five-month hiatus in utilization review.

This is to say that in the absence of utilization review, utilization of services increases with no correlation to better patient outcomes; simply more cost to the health care system.

Potential conflicts with Federal regulations

Section 5 appears to reference the most recent CMS interoperability 2.0 final rules. These CMS rules were released in January 2024 and we look forward to the automated processes outlined in the rule. The language in HF3578 is not necessarily uniform with the CMS rule and could result in two separate systems, adding unnecessary cost and duplication to the system.

Section 6, clause 6, beginning on line 4.28, is covered by Federal regulations (147.130). The language of HF3578 removes all preventative health services recommended by USPSTF from the application of evidence-based guidelines. This goes beyond the Federal regulation. This means that we will not be able to apply any criteria or guidelines for any screening procedure covered by USPSTF such as colonoscopy, CT colonography, etc.

Section 7 does not include a definition for "chronic condition". There isn't a definition in Minnesota Statute 62M and there isn't a uniform definition among Federal agencies.

Conclusion

Utilization review plays a critical role in helping patients receive high-quality, evidence-based care, and it keeps costs down for the entire health care system. Beyond significant fiscal impact, we must consider the health and safety impact this bill will have on Minnesotans. Their well-being should be considered 100% of the time.

Consider the patient with non-small cell lung cancer (NSCLC). A form of genomic testing called molecular profiling can confirm the presence of specific cancer tumor gene mutations that are best treated with more targeted therapies. These targeted therapies are less toxic and lead to longer survival. However, up to 30% of NSCLC patients don't get the most effective treatment because they didn't get molecular profiling. We found that without utilization management, 40% of doctors were skipping this testing. Once utilization management was introduced to require the testing, about 25% patients changed to the more effective treatment based on the results, and the adherence to testing was nearly 100%.

HF3578 would dramatically curtail those benefits for patients. We believe there are several ways to streamline utilization review that create a better experience for providers without sacrificing patient care.

Sincerely,

Margaret Reynolds
Senior Director, State Government Affairs
margaret.reynolds@cignahealthcare.com

Minneapolis
City of Lakes

Minneapolis
Health
www.minneapolismn.gov

February 28, 2024

Representative Zack Stephenson
Chair of the Committee on Commerce Finance and Policy

Re: HF 3578 — Bahner: Health care service prior authorization and coverage requirements modified, ground for disciplinary action against physicians modified, reports to the commissioner of commerce and the legislature required, data classified, and rulemaking authorized.

House Commerce Finance and Policy Committee members,

The City of Minneapolis is dedicated to reducing the harm caused by chemical dependency and improving the health of our families, communities, and state and that starts with fighting for timely access to substance use disorder (SUD) treatment.

Over the past five years, Minneapolis has seen a significant increase in fatal opioid overdoses, from 83 in 2017 to 231 in 2002, a 178% increase. While Minneapolis, represents 7% of MN's population, it accounted for over twenty percent of MN's fatal opioid-related overdoses in 2022. In 2021, there were over 1,200 inpatient and outpatient hospital visits connected to opioids among Minneapolis residents.

The City of Minneapolis Health Department supports HF3578/SF3532 to establish new regulatory rules around the complex process of prior authorization. We have heard from our community that the process as it currently exists impacts timely access to substance use disorder treatment. This is a critical pain point because during the window of time from when someone decides to engage in treatment and when they are admitted to treatment is an especially tentative and vulnerable time for people.

We are specifically supportive of provisions of the bill that prohibit prior authorization for medication to treat a substance use disorder, outpatient mental health treatment, or outpatient substance use disorder treatment, and treatment delivered through neonatal abstinence programs operated by pediatric pain or palliative care subspecialists.

Prior authorization processes often delay patient care and SUD treatment. SUD treatment frequently involves urgent care needs due to the acute nature of addiction. Prior authorization requirements can delay or impede timely access to critical treatment, exacerbating health risks and potential overdoses.

We know that early intervention and continuous care in treating SUD is crucial. Prior authorization adds unnecessary administrative hurdles, interfering with the implementation of evidence-informed treatment protocols and best practices.

Reforms to prior authorization processes in Minnesota will streamline administrative tasks for providers, reduce delays in care, and improve patient access to timely and appropriate treatments, ultimately enhancing the overall quality of healthcare delivery. The City is happy to support the provider community in streamlining this process and thank you for authoring this important legislation.

If we can be of help or if you have questions, please don't hesitate to contact me.

Sincerely,

Heidi Ritchie

Heidi Ritchie, MAL, BSN, RN, PHN
Deputy Commissioner of Health
City of Minneapolis – Health Department

February 27, 2024

Dear Chair Stephenson and Members of the House Commerce Finance and Policy Committee,

We write in support of HF 3578 (Bahner): Prior authorization and coverage of health care services requirements modified, and are grateful for the hearing on this important issue that is relevant for so many of the patients and families Gillette Children's serves.

Gillette Children's operates an independent, nonprofit, specialty care, 60-bed pediatric hospital in St. Paul along with pediatric specialty clinics across Minnesota, including clinics in Burnsville, Maple Grove, St. Paul, Baxter, Bemidji, Duluth, Willmar and Mankato.

We serve children with complex disabilities, rare conditions, and traumatic injuries with a focus on brain, bone and movement conditions needing specialized expertise. Each year, we treat patients from all 87 Minnesota counties.

This legislation provides for meaningful reform that will remove some of the many barriers the children we serve face in obtaining access to needed and timely health care services.

One example is the language in Section 7, lines 5.7 - 5.12

Subd. 5. **Treatment of a chronic condition.** An authorization for treatment of a chronic health condition that an enrollee is expected to have for longer than one year and that requires ongoing treatment does not expire unless the standard of treatment for that chronic health condition changes.

The largest single diagnosis we see in patients at Gillette Childrens is cerebral palsy - a group of disorders that affect a person's ability to move and maintain balance and posture. Cerebral palsy is a lifelong condition and would meet the definition of a chronic condition. It is caused by brain injury or atypical brain development that happens around the time of birth or early in life. It is a complex condition that can affect many parts of the body, including muscles. Muscle spasticity - the presence of overly tight muscle – is a common symptom of cerebral palsy.

There is no cure for spasticity. Treatment, however, often lessens the severity of spasticity's effects on everyday activities. One of the treatments available is botulinum toxin (Botox) injections.

Gillette Children's employs 14 FTE's whose sole role is processing prior authorizations. Two of our employees only process prior authorizations for Botox. One of our employees works on Medicaid Botox prior authorizations and one employee focuses on commercial insurance Botox prior authorizations.

In 2023 we submitted 1,485 prior authorizations for Botox. Of those, only 14 were initially denied – approximately 1%. As of our most recent records, 1,200 of these prior authorizations

have been approved, and the remainder are either currently going through the prior authorization process or have been approved in 2024 but are not yet reflected in our reports.

With passage of this legislation, once a Botox prior authorization for a child with cerebral palsy has been approved, the prior authorization would remain in place unless the standard of treatment changes. This is just one example of a provision in this bill that will positively impact the patients and families we serve at Gillette Children's while removing a significant administrative burden. We urge your support, and we are grateful for your time.

Sincerely,

Paula Montgomery
Executive Vice President
Chief Administrative Officer
Gillette Children's

February 27, 2024

RE: Recommendation to remove prior authorization for Hepatitis C treatment

To members of the Minnesota Senate and House of Representatives:

We write in support of HF3578/SF3532, the bill to modify Prior Authorization (PA) in Minnesota. Specifically, requiring a PA for treatment for Hepatitis C virus, results in unnecessary burdens for providers and patients that lead to delayed access to care and worsened health outcomes.

The latest state data indicates over 31,000 Minnesota residents are living with chronic Hepatitis C virus (HCV) infection. The longer these individuals living with HCV go untreated the greater their risk of death from liver failure, hepatocellular carcinoma, or other HCV-related causes of mortality. By Race, HCV in Minnesota disproportionately impacts American Indians and African Americans, with rates of chronic infection over 800% and 300% higher than Whites respectively.[1] Untreated, a person with HCV who is injecting drugs can infect up to 20 persons within the first 3 years of diagnosis.[2]

Direct Acting Antivirals (DAAs) have revolutionized treatment for HCV. Patients without decompensated cirrhosis can expect a cure rate of nearly 100%. Despite the availability of these lifesaving medications, treatment uptake among at-risk populations remains low, due in large part to system level barriers like the current PA requirement.

The PA requirements are not evidence based and contradict current treatment recommendations provided by the American Association for the Study of Liver Disease (AASLD) and the CDC. Current requirements to provide documentation of chronic infection and genotyping, documentation of education and interventions for persons using drugs, and the requirement to obtain specialist consultation for certain patients that could be safely treated within primary care clinics are unnecessary and biased and simply delay care.

PA requirements in state Medicaid plans are especially burdensome, reinforcing existing disparities in access to care and unfairly targeting specific groups with higher rates of HCV infection. According to the CDC, people with Medicaid are 46% less likely to receive HCV treatment than those with private insurance. According to the Hepatitis C: State of Medicaid Access National Summary Report, Minnesota falls behind 24 other states on its access to hepatitis C treatment report card. We strongly encourage Minnesota to join the cohort of states removing prior auth requirements and reducing barriers to HCV treatment.

1

References:

1.Minnesota Department of Health, Chronic Hepatitis C Infection Statistics, https://www.health.state.mn.us/diseases/hepatitis/c/stats/current.html#:~:text=As%20of%20Dec.,C%20virus%20(HCV)%20infection, accessed Aug 30 2023

2. Magiorkinis, G.; Sypsa, V.; Magiorkinis, E., et. al. Integrating phylodynamics and epidemiology to estimate transmission diversity in viral epidemics. PLoS Comput Biol 9(1):e1002876, 2013

Tseganesh Selameab, MD, FACP
Governor

Sally Berryman, MD, FACP
Health Policy Committee Chair

KATHERINE CAIRNS, MPH MBA
Executive Director
1041 GRAND AVE. #215
ST. PAUL, MN 55105
651-492-1994 651-699-7798 (FAX)
MINNESOTA.ACP@GMAIL.COM

February 26, 2024

Minnesota Commerce Finance and Policy
Representative Zack Stephenson
Simon.brown@house.mn

Dear Representative Stephenson and Members of the House Commerce Finance and Policy Committee:

On behalf of the Minnesota chapter of the American College of Physicians, we respectfully encourage you to support and vote in favor of specific sections in the Prior Authorization bill **HF3578.** The Minnesota chapter of the American College of Physicians (MN-ACP) represents nearly 2500 internal medicine physicians and internal medicine trainees that take care of adult patients in clinics/hospitals throughout the state. The following provisions of the bill would improve health, healthcare access and increasing health equity for Minnesota residents.

- Removing the need for prior authorization for outpatient substance use disorder treatment and outpatient mental health treatment which delays needed preventive care;
- Allowing, without prior authorization, medication to treat a substance use disorder;
- Allowing, without prior authorization, pediatric hospice services provided by a hospice provider licensed under sections144A.75 to 144A.755;
- Allowing, without prior authorization, treatment delivered through a neonatal abstinence program operated by pediatric pain or palliative care subspecialists;
- Allowing, without prior authorization, antineoplastic cancer treatment that is consistent with guidelines of the National Comprehensive Cancer Network; and
- Allowing, without prior authorization, treatment for a chronic health condition that the enrollee is expected to have for longer than a year that requires ongoing treatment unless the standard of treatment for that chronic health condition changes.

Two technical edits are **suggested in bold** below to this bill in lines 4.24-4.26 and lines 5.1-5.2:

- Allowing, without prior authorization, **a generic drug or multisource brand name drug rated as therapeutically equivalent according to the FDA Orange Book, or a biologic drug rated as interchangeable or biosimilar according to the FDA Purple Book;**
- Allowing, without prior authorization, preventive services that have a current rating of A or B from the U.S. Preventive Services Task Force, immunizations recommended by the national Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention, and preventive services and screenings provided to women as described in **45 CFR § 147.130**

As physicians, we see first-hand the impact of disparities in health care coverage and access on our patients and their families. These provisions of HF3578 will help improve public health, reduce and prevent health disparities and increase access to substance use services, referral and treatment. Thank you for your consideration. Please contact Minnesota.ACP@gmail.com if you have any additional questions.

Sincerely yours,

Tseganesh Selameab, MD

Tseganesh Selameab, MD, FACP
MN-ACP Governor

Sally Berryman, MD

Sally Berryman, MD, FACP
MN-ACP Health Policy Committee Chair

MINNESOTA ACADEMY OF FAMILY PHYSICIANS
STRONG MEDICINE FOR MINNESOTA

1400 Van Buren St NE
Suite 215
Minneapolis, MN 55413-4605

952-542-0130
office@mafp.org
www.mafp.org

February 26, 2024

Dear Commerce Finance and Policy Committee Members,

On behalf of the Minnesota Academy of Family Physicians (MAFP), the largest physician specialty society in Minnesota representing over 3,100 family physicians and physicians in training, I strongly encourage your support for House File 3578. The prior authorizations addressed in HF 3578 pose an unacceptable barrier to essential care for our patients and present a burdensome administrative challenge, diverting our members and their teams from direct patient care.

Family physicians play an important role in caring for Minnesotans throughout their lifespan. As leaders in primary care, we collaborate with our teams to maintain our patients' health and manage chronic conditions. Every family physician has countless stories of the detrimental delays caused by prior authorizations, and it is a major driver of physician as well as health care team burnout. These delays result in patients being denied access to vital medications for managing conditions such as diabetes and substance use disorders in addition to delaying discovery of life altering diagnoses.

The excessive use of prior authorizations, even for generic and cost-effective medications and treatments, is concerning. It is perplexing that these barriers persist, particularly for well-established options that have proven to be evidence-based and first-line treatments for the patient. Utilizing prior authorization as an obstacle between a patient suffering from substance use disorder and the life-saving treatment Suboxone is both counterproductive and unacceptable. Using prior authorization to delay a CT scan after an x-ray showed an abnormality thereby delaying a cancer diagnosis can literally cost a patient their life. Instances where patients are unable to fill their prescriptions and receive needed imaging or tests promptly, particularly in crisis situations, underscore the urgent need for reform.

Prior authorizations are an ineffective strategy for controlling health care costs. The resulting delays in care are unacceptable for patients and the convoluted processes associated with addressing prior authorizations are further burdening our already strained health care workforce. Please support HF 3578 as an important step in addressing prior authorizations to help ensure access to care for our patients.

Sincerely,

Bob Jeske, M.D.

Bob Jeske, MD
President, MAFP

Minnesota Hospital Association

161 Saint Anthony Ave., Ste. 915
Saint Paul, MN 55103-2382
www.mnhospitals.org

February 28, 2024

Chair Stephenson and Members of the House Commerce Finance and Policy Committee,

On behalf of the Minnesota Hospital Association (MHA) and the patients our 141 hospital and health system members across the state serve, we write to you today to share our strong support for HF 3578 (Bahner) to strengthen Minnesota's current Prior Authorization (PA) laws.

In the 2020 Legislative Session, lawmakers passed a bill making overdue changes to the Prior Authorization process. That law shortened most PA response timelines and required like or similar physician specialties to conduct the PAs. These were certainly much needed improvements but unfortunately problems still remain which are creating hardships for our patients.

Patients across Minnesota are having their care delayed waiting for their insurer to approve payment for a procedure or medication that has been prescribed by their physician or other licensed provider AND it is part of their current benefit set. HF 3578 establishes much-needed guardrails to Minnesota's Prior Authorization process so that our patients can receive timely and needed health care.

Highlights of the bill which will benefit patient care:

- Prohibits Prior Authorizations for certain care services beyond emergency services: Substance Abuse Treatment, some generic drugs, outpatient mental health and chemical dependency, chemotherapy cancer treatments, immunizations, preventative services, pediatric hospice, Neonatal Abstinence Syndrome treatments, others.
- Calls for Prior Authorizations not to expire after one year for treatment of chronic conditions unless standards of care change in order to have patients with these conditions receive uninterrupted health care.
- Prohibits retrospective denials for Prior Authorizations where a PA was not required.
- Prohibits denials of services where Prior Authorization was required based solely on the lack of a PA – if the service would have normally been covered.
- Requires utilization review organizations to develop new systems to: Automate the process to determine if a Prior Authorization is needed, support automated PA requests and responses, indicate if a PA denial is appealable – in order to make the PA process faster and more efficient to reduce wait times for our patients.
- Requires (annually by Sept. 1) the Department of Commerce to publish a report documenting the following: the number of Prior Authorizations required, the number of PAs authorized vs. adverse determinations, the number of adverse determinations reversed on appeal, the 25 codes with highest number of PA requests and authorizations. The report is required to provide this data by

certain patient service lines. Transparency of this data will serve Minnesotans across the state by identifying areas that need to be further improved to help even more patients receive care.

In addition to Prior Authorization reform being of significant benefit to patients, this bill will undoubtedly help reduce provider burnout. Minnesota, like most other states, is facing a physician shortage – and we need to allow physicians to spend more time on patient care and not administrative tasks – to the greatest extent possible. Unnecessary Prior Authorizations should be eliminated, and the process should be more streamlined. This will serve our patients and reduce instances of interrupted care and wait times for them. This will also improve physician job satisfaction.

These challenges are not unique to Minnesota. The American Medical Association reports a record number of more than 70 Prior Authorization Reform bills being introduced in 28 different states. We hope that Minnesota will join a list of states passing this needed Prior Authorization reform in service of Minnesota patients.

Sincerely,

Mary Krinkie
Vice President of Government Relations
mkrinkie@mnhospitals.org

Danny Ackert
Director of State Government Relations
dackert@mnhospitals.org

MPMA
Minnesota Podiatric Medical Association

February 26, 2024

Senator Kelly Morrison
3205 Minnesota Senate Building
95 University Avenue West
Saint Paul, MN 55115

Representative Kristin Bahner
525 State Office Building
100 Rev. Dr. Martin King Jr. Blvd
Saint Paul, MN 55115

Dear Senator Morrison and Representative Bahner:

I am the President of the Minnesota Podiatric Medical Association (MPMA) that represents the podiatric physicians and surgeons in Minnesota. Podiatric physicians and surgeons medically diagnose and treat ailments, injuries and medical conditions of the foot, ankle, and the soft tissue of the lower leg.

The Minnesota Podiatric Medical Association strongly supports SF. 3532 and HF. 3578 that you have both authored which regulates the burdensome prior authorization (PA) process.

The MPMA, along with a broad and significant coalition of health care providers, supports this critical legislation which modernizes the state's prior authorization statutes. This legislation establishes critically needed guardrails to the process so that podiatric patients can receive timely and needed health care. Thank you both for your advocacy for all patients in Minnesota.

In 2020, the MPMA, and other health care groups and providers, successfully urged legislators to pass a bill modifying the abusive prior authorization process. That law decreased prior authorization timelines and required that like physician specialists conduct the prior authorization reviews. These were important legislative changes. There was hope that the other prior authorization abuses would be voluntarily rectified. Unfortunately, there remain many prior authorization hardships for both patients and providers, necessitating this critical legislation.

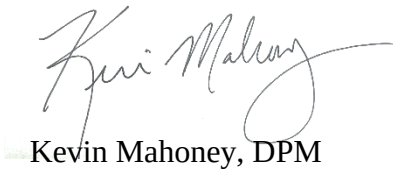
The two most critical issues that podiatric physicians are experiencing are 1) prior authorization is extremely time-consuming, tax already limited staff resources at clinics and are administratively overly burdensome, and 2) prior authorizations are harmful to patients due to delayed care, disrupting established treatment plans, and result in even serious adverse events for patients.

This bill will drastically improve patient care in Minnesota by prioritizing patient care by reducing the burden of prior authorization on both patients and podiatric physicians.

The MPMA urges all legislative committees that hear this bill to support it so that critical medical clinical decisions can be placed back in the hands of the patients' treating podiatric physicians for the benefit of Minnesota patients.

1465 Arcade Street, Saint Paul, MN 55106 | Phone/Fax: 651-395-7994 | Email: info@mnpma.org

Sincerely,



Kevin Mahoney, DPM

February 23, 2024

Representative Zack Stephenson, Chair
House Committee on Commerce Finance and Policy
75 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, Minnesota 55155

Dear Representative Stephenson and Members of the House Committee on Commerce Finance and Policy,

The Minnesota Society Clinical Oncology Society (MSCO) and the Association for Clinical Oncology (ASCO) strongly support HF 3578, a bill that would improve prior authorization processes in the state, and we urge the Committee to vote in favor of the measure.

MSCO is a professional organization whose mission is to facilitate improvements for Minnesota physician specialties in both hematology and oncology. MSCO members are a community of hematologists, oncologists, and other physicians who specialize in cancer care. ASCO is a national organization representing physicians who care for people with cancer. With nearly 50,000 members, our core mission is to ensure that cancer patients have meaningful access to high quality, equitable cancer care.

Prior authorization, which requires patients or their clinicians to secure pre-approval as a condition of payment or insurance coverage of services, is consistently identified as the largest barrier to care for insured patients. In a recent ASCO survey, 80% of respondents said that a patient has experienced significant impacts on their health, such as disease progression, because of prior authorization processes. The most common harms to patients include delays in treatment (95%) and diagnostic imaging (94%), patients being forced onto second-choice therapy (93%) or denied therapy (87%) and increased out-of-pocket costs (88%). These survey results confirm that the administrative burdens associated with prior authorization contribute to major delays and denials of necessary, appropriate, and in many cases, lifesaving care.

MSCO and ASCO are committed to supporting policies that reduce cost while preserving quality of cancer care; however, it is critical that such policies be developed and implemented in a way that does not undermine patient access. Payer utilization management approaches like prior authorization are of particular concern because they represent greater likelihood of raising barriers to appropriate care for individuals with cancer.

MSCO and ASCO are pleased that HF 3578:

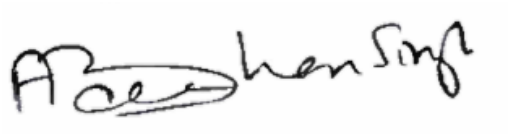
- **Alleviates administrative burden on physicians** by requiring utilization review organizations to establish and maintain an electronic prior authorization platform that automates certain elements of the process for in-network clinicians;

- **Accommodates the needs of specialized patient populations** by prohibiting prior authorization for antineoplastic cancer treatment consistent with National Comprehensive Cancer Network guidelines; and
- **Improves transparency** by implementing prior authorization statistic reporting requirements.

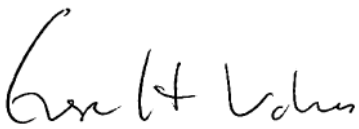
HF 3578 would also require the Commissioner of Commerce to adopt rules establishing requirements for a prior authorization exemption process that would grant an exemption to doctors with a strong track record of prior authorization approvals. This will allow clinicians to skip the burdensome prior authorization process, ultimately resulting in more-timely delivery of care to patients.

MSCO and ASCO are encouraged by the steps HF 3578 takes toward improving prior authorization in Minnesota, and we welcome the opportunity to be a resource for you. For a more detailed understanding of our policy recommendations on this issue, we invite you to read the ASCO Position Statement: Prior Authorization. Please contact Sarah Lanford at ASCO at Sarah.Lanford@asco.org if you have any questions or if we can be of assistance.

Sincerely,



Amrit Singh, MD
President
Minnesota Society of Clinical Oncology



Everett Vokes, MD, FASCO
Chair of the Board
Association for Clinical Oncology

February 15, 2024

Representative Tina Liebling, Chair
Committee on Health Finance and Policy
477 State Office Building
St. Paul, Minnesota 55155

Dear Chair Liebling,

I am writing on behalf of the American Physical Therapy Association – Minnesota Chapter (APTA MN) in support of H.F. 3578 (Bahner). This bill reforms Minnesota's prior authorization law.

APTA MN represents Minnesota's 8100 licensees including physical therapists, physical therapist assistants and students enrolled in Minnesota's 11 DPT and PTA programs. We advocate for policies that promote healthy Minnesotans who are able to live their best lives that are as mobile and pain-free as possible. Our patients range from babies to seniors. Our members serve them in hospitals, clinics, nursing homes, schools, group homes and family homes.

H.F. 3578 seeks to address the administrative expense of prior authorizations and expedite access to care. Patients seeing physical therapists who present for their first postoperative visit find that the PT can evaluate, diagnose, and create a care plan but the treatment requires prior authorization. This pause in essential service may seriously hinder a patient's recovery.

Patients with vestibular problems and who present with severe nausea and vomiting are likewise required to pause their care when the condition can be treated successfully in a single visit. Prior authorization and its resultant delay in care requires PTs to decide between furnishing an uncovered service at their own expense, in keeping with their ethical obligations, or risk an adverse outcome while waiting for authorization of medically necessary care.

The prior authorization process adds administrative costs for clinicians, their staff and for the health plans. Meanwhile, it does not improve patient outcomes.

We appreciate you hearing this bill and encourage you and your Committee members to pass it.

Thank you for your consideration.

Sincerely,

Megan Urick, APTA MN Chapter President

MINNESOTA ACADEMY OF PHYSICIAN ASSISTANTS
PARTNERS IN HEALTHCARE
MAPA

Minnesota Academy of Physician Assistants
8100 Three Chopt Road, Suite 226
Richmond, VA 23229

Phone: (651) 237-7241
Email: info@minnesotapa.org

February 15, 2024

Representative Tina Liebling, Chair
Committee on Health Finance and Policy
477 State Office Building
St. Paul, Minnesota 55155

Dear Chair Liebling,

I am writing in support of H.F. 3578 (Bahner) on behalf of the Minnesota Academy of Physician Assistants (MAPA). Representative Bahner's bill addresses needed reforms in Minnesota's prior authorization law.

MAPA represents Minnesota's 4,000+ physician assistants (PAs) and PA students enrolled at Minnesota's five nationally accredited PA programs. PAs are trained to diagnose illness, develop and manage treatment plans, and prescribe medication in every medical and surgical specialty and setting. PAs serve in hospitals and clinics and provide a comprehensive range of services, from primary care to high-technology specialty procedures. MAPA advocates for our members and our patients and seeks policies that promote access to quality care.

Far too often, we hear stories of patients who do not seek the care they need because of the burdens of prior authorizations. Patients who need care should not face administrative hurdles to see a clinician who can meet their needs. Delaying care can allow conditions to worsen and increase the costs of care when patients finally see their clinician.

In addition to the burdens on patients, prior authorizations add costs to providers but don't improve care. We appreciate your past efforts to reduce administrative costs to slow the rising cost of health care. This bill is consistent with those efforts.

H.F. 3578 is one way the Legislature can reduce administrative costs and we appreciate you scheduling this bill for a hearing. We encourage you and your Committee members to approve it.

Sincerely,

Alannah Zheng, MSPA, PA-C, CLC
Chair, Minnesota Academy of PAs Legislative & Reimbursement Committee

NAMI
National Alliance on Mental Illness
MINNESOTA

1919 University Ave. W, Ste. 400, St. Paul, MN 55104 | 651-645-2948 | namimn.org

February 26, 2024

Members of the Commerce Finance and Policy Committee:

On behalf of NAMI Minnesota, we are writing in strong support of HF 3578. It has been almost 20 years since the first federal mental health parity law passed. One of the provisions is for plans to document use of prior authorization for both medical care and mental health care services. Many studies have shown that prior authorization is used much for mental health care than health care. The Kaiser Family Foundation found that 84% of Medicare Advantage enrollees are in plans that apply prior authorization to a mental health service. Some states, due to parity violations, have banned prior authorization for mental health care. Data transparency for prior authorizations should be a part of enforcing mental health parity.

Too often, prior authorization slows down or completely impedes access to care. Outpatient care, such as therapy, is one of the least expensive modes of care. Requiring prior authorization, and the subsequent delays, can lead to someone requiring a higher and more expensive level of care. We have seen some plans require prior authorization for sessions longer than 30 minutes. For people with serious mental illnesses or when in a crisis, 30 minutes is not long enough. The same is true for requiring prior authorization for prevention care such as depression screening. Eliminating prior authorization for medication treatment for substance use disorder when we have an increasing number of people dying from opioids simply makes sense.

When people are retroactively denied coverage for services, it can create fear to reach out for help next time. This is especially significant during our current mental health crisis. Parents cannot afford to hesitate to seek care when their children are experiencing symptoms. Early intervention and prevention are some of the most effective tools we have in improving the lives of people with mental illnesses, and we must do all we can to protect access.

We believe HF 3578 strikes a good balance automating processes, encouraging high quality care, and holding health carriers accountable. Please vote to support this bill and improve access to mental health care for Minnesotans.

Sincerely,

Sue Abderholden, MPH
Executive Director

Elliot Butay
Senior Policy Coordinator

MINNESOTA
RARE DISEASE ADVISORY COUNCIL

February 28, 2024

House Commerce Finance and Policy Committee
Chair Zack Stephenson and Ranking Member Tim O'Driscoll
Minnesota House
100 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, MN 55155

Chair Zack Stephenson and Ranking Member Tim O'Driscoll,

On behalf of the 1 in 10 Minnesotans living with a rare disease, the Minnesota Rare Disease Advisory Council is writing to express support for HF3578 which would reduce the administrative burden on patients and their physicians related to the over-use of prior authorization and increase transparency in the nature of denials through the establishment of reporting requirements. The Minnesota Rare Disease Advisory Council (RDAC) is an executive branch state agency whose mission is to improve diagnosis and care for the rare disease community.

According to the National Center for Advancing Translational Science (NIH-NCATS) 80% of the over 10,000 rare diseases are genetic, making the majority of rare diseases chronic and complex. Despite their large collective numbers, effective treatments exist for only several hundred rare diseases and rare disease patients wait an average of 7-8 years to receive a diagnosis. As the cost of healthcare increases, payers have used various forms of cost control methods that, when applied to the rare disease community, place even more access barriers on a patient population already struggling to receive appropriate care. The annual expiration and requirement to go through the prior authorization process each year for individuals with chronic conditions represents such a barrier.

When a rare and chronic disease receives prior authorization approval, the likelihood that that these services will receive eventual approval and continue to be covered annually is high. By reducing the use of prior authorizations for those services that will have an eventual approval, we can reduce the stress to families, avoid potential disruption in services leading to adverse outcomes and healthcare utilization, and reduce administrative costs for providers and payers.

We urge you to support HF 3578.

Sincerely,

Erica Barnes

Executive Director, MN Rare Disease Advisory Council