



HOUSE COMMITTEE ON HEALTH AND HOMELESSNESS

The Honorable Della Au Belatti, Chair
The Honorable Jenna Takenouchi, Vice Chair

H.C.R. NO. 182, REQUESTING THE AUDITOR TO ASSESS THE CHALLENGES TO THE TIMELY DELIVERY OF HEALTH CARE SERVICES IN THE STATE DUE TO PRIOR AUTHORIZATION REQUIREMENTS AND INCLUDE AN ANALYSIS OF PRIOR AUTHORIZATION REFORM, WITH INPUT OF DATA AND FEEDBACK FROM ALL STAKEHOLDERS, INCLUDING PATIENT ADVOCATES, PROVIDERS, FACILITIES, AND PAYERS.

H.R. NO. 162, REQUESTING THE AUDITOR TO ASSESS THE CHALLENGES TO THE TIMELY DELIVERY OF HEALTH CARE SERVICES IN THE STATE DUE TO PRIOR AUTHORIZATION REQUIREMENTS AND INCLUDE AN ANALYSIS OF PRIOR AUTHORIZATION REFORM, WITH INPUT OF DATA AND FEEDBACK FROM ALL STAKEHOLDERS, INCLUDING PATIENT ADVOCATES, PROVIDERS, FACILITIES, AND PAYERS.

Hearing: Wednesday, March 20, 2024, 10:30 a.m.

The Office of the Auditor offers comments on H.C.R. No. 182 and H.R. No. 162, requesting the Auditor to assess the challenges to the timely delivery of health care services in the State due to prior authorization requirements and include an analysis of prior authorization reform, with input of data and feedback from all stakeholders, including patient advocates, providers, facilities, and payers.

The assessment and analysis requested in the resolutions is not an audit. The Office of the Auditor typically conducts performance audits, which primarily examine the efficiency and effectiveness of government programs or agencies by assessing the programs' activities against statutory and other criteria.

While we appreciate the Legislature wants to provide residents with an analysis to facilitate collaboration on prior authorization, we believe another agency such as the Legislative Reference Bureau is better suited to complete a report as requested in the resolutions.



**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

KENNETH S. FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'OKELE

John C. (Jack) Lewin, M.D.
ADMINISTRATOR

1177 Alakea St., #402, Honolulu, HI 96813 Phone: 587-0788 Fax: 587-0783 www.shpda.org

**House Committee on Health and Homelessness
Representative Della Au Belatti, Chair,
Representative Jenna Takenouchi, Vice Chair,
and Committee Members**

HCR 182/HR 162 Requesting the Auditor to Assess the Challenges to the Timely Delivery of Health Care Services in the State Due to Prior Authorization Requirements and Include an Analysis of Prior Authorization Reform, with Input of Data and Feedback From All Stakeholders, Including Patient Advocates, Providers, Facilities, and Payers.

**Testimony of John C. (Jack) Lewin, M.D.
SHPDA Administrator**

**Wednesday, March 20, 2024
10:30 a.m.**

1 **Agency's Position: SUPPORT**

2 **Fiscal Implications: none**

3 **Purpose and Justification:** SHPDA is evolving into the State's needed health care oversight
4 body for assuring universal access to high-quality, equitable, and affordable health and long-
5 term care for ALL citizens. As such, we support requesting the Auditor to assess the impacts
6 of the common health insurance practice of requiring prior authorization (PA) for increasing
7 numbers of services, prescriptions, radiologic imaging, and health care procedures ordered by
8 physicians for their patients before approving payment for these services.

9 We understand the intent of PA to reduce unnecessary health care spending, which
10 SHPDA fully supports. However, PA often unnecessarily delays care, too often results in
11 denials of appropriate and necessary care, and has become a burdensome practice for which

1 most physician practices and hospitals must hire staff devoted almost entirely to processing
2 PA requests and challenging PA denials.

3 Further, PA could be automated to result in expediting access to appropriate and
4 necessary care with modern information technology systems applied to scientifically validated
5 and professionally approved standards of care and medical guidelines. Several states have
6 created so-called “gold card” systems for eliminating PA restrictions for physicians who have
7 demonstrated consistent adherence to such standards and guidelines.

8 The American Medical Association, reacting to physician concerns over the alleged
9 misapplication and overuse of PA by insurers recommends that the federal and state
10 governments should set standards for the use of PA to regulate reasonable response times,
11 assure that PA reviewers be licensed in the state and be of the same specialty that manages
12 the patient’s condition, avoid retroactive denials for preauthorized care, make PA decisions
13 valid for a year even if approved medication dosages change, and make PA decisions valid or
14 for the length of the treatment for chronic diseases. They also recommend that insurers
15 should publicly release PA data by drug and service as it relates to approvals, denials,
16 appeals, wait times and should honor a previous PA decision for at least 90 days when a
17 patient changes health plans.

18 The Auditor could ascertain best practices among states for reducing the cost and
19 burden of PA by speeding the PA process, reducing unnecessary or inappropriate PA denials,
20 and using information technology to expedite PA adjudication by harmonizing physician
21 treatment recommendations for patients with current standards of care and medical guidelines.

22 We believe the PA process has become burdensome for insurers as well as for
23 physicians and their patients, and that the Auditor’s recommendations could improve health

1 outcomes, reduce health costs, and when modernized, could reduce the administrative
2 burdens upon all participants in the Hawai'i health sector, including the insurance industry.

3 Mahalo for the opportunity to testify.



March 20, 2024

The Honorable Della Au Belatti, Chair
The Honorable Jenna Takenouchi, Vice Chair
House Committee on Health & Homelessness

Re: HCR182/HR162 – Requesting the Auditor to assess the challenges to the timely delivery of health care services in the state due to prior authorization requirements and to include an analysis of prior authorization reform, with input of data and feedback from all stakeholders, including patients advocates, providers, facilities, and payers

Dear Chair Belatti, Vice Chair Takenouchi, and Members of the Committee:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to provide testimony in support of HCR182/HR162, which requests the Hawaii State Auditor to assess the challenges of timely delivery of health and to include an analysis of prior authorization reform.

We appreciate the legislature's efforts to ensure that all of Hawaii's residents have timely access to care and stakeholders are working together to identify challenges and opportunities.

Thank you for the opportunity to testify in support of HCR182/HR162.

Sincerely,

A handwritten signature in black ink, appearing to read "Dawn Kurisu". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Dawn Kurisu
Assistant Vice President
Community and Government Relations



Hawaii Medical Association

1360 South Beretania Street, Suite 200 • Honolulu, Hawaii 96814
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HOUSE COMMITTEE ON HEALTH AND HOMELESSNESS

Representative Della Au Belatti, Chair
Representative Jenna Takenouchi, Vice Chair

Date: Mar 20, 2024
From: Hawaii Medical Association
Elizabeth Ann Ignacio MD, President

RE HR 162 / HCR 182 - Requesting the Auditor to assess the challenges to the timely delivery of health care services in the state due to prior authorization requirements and include an analysis of prior authorization reform, with input of data and feedback from all stakeholders, including patient advocates, providers, facilities and payers.

Position: Support

Prior authorization (PA) originated as a claims process tool to reduce overutilization of medical services. Many common inpatient surgical and medical treatments, drugs, imaging and post-acute care facility services are subject to prior authorization. Unfortunately the misapplication of PA has steadily worsened with increasing resultant delays and denials for indicated appropriate medical services. Providers and staff are unable to combat the red tape of PA denials and needed appeals. Tragically these PA obstacles result in considerable negative outcomes for Hawaii patients, including diagnostic delays, abandoned care, and serious adverse clinical events that are life threatening, leading to permanent impairment, disability or even death.



American Medical Association. 2022 AMA Prior Authorization (PA) Physician Survey.

New CMS rules regarding PA came into effect June 2023, but they do not address PA barriers for ~65% of Hawaii patients who are not under federal health insurance programs. This prior authorization analysis for Hawaii will allow for much needed comparable assessment of specific areas of turnover times, adverse determinations, duration, data transparency, and exemptions or gold card programs in our state. The participation of Hawaii stakeholders is critical to avoid further patient harm and further burnout and erosion of our healthcare professional workforce. HMA applauds the legislature for supporting this resolution, and stands ready to assist in the rendering of this necessary and essential project.

2024 Hawaii Medical Association Officers

Elizabeth Ann Ignacio, MD, President • Nadine Tenn-Salle, MD, President Elect • Angela Pratt, MD, Immediate Past President
Jerris Hedges, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

2024 Hawaii Medical Association Public Policy Coordination Team

Beth England, MD, Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

Thank you for allowing the Hawaii Medical Association to testify on this resolution.

REFERENCES, QUICK LINKS:

American Medical Association. 2022 AMA Prior Authorization (PA) Physician Survey. <https://www.ama-assn.org/system/files/prior-authorization-survey.pdf>

American Association of Family Physicians (AAFP). Prior Authorization. <https://www.aafp.org/family-physician/practice-and-career/administrative-simplification/prior-authorization.html> Accessed Feb 24, 2024.

Center for Medicare & Medicaid Services (CMS). CMS Interoperability and Prior Authorization Final Rule CMS-0057-F. <https://www.cms.gov/newsroom/fact-sheets/cms-interoperability-and-prior-authorization-final-rule-cms-0057-f> Accessed Feb 24, 2024.

Shah T et al. Other states should follow New Jersey's lead on prior authorization reform. <https://www.statnews.com/2024/01/25/prior-authorization-reform-new-jersey-washington-federal-law-cms/> Accessed Feb 24, 2024.

American Medical Association (AMA). Advocacy in action: Fixing prior authorization. <https://www.ama-assn.org/practice-management/prior-authorization/advocacy-action-fixing-prior-authorization>

American Medical Association (AMA). \$15 billion win for physicians on prior authorization. <https://www.ama-assn.org/practice-management/prior-authorization/15-billion-win-physicians-prior-authorization>

Lagasse J. Half of rural hospitals in the red, pressured by high Medicare Advantage enrollment. <https://www.healthcarefinancenews.com/news/half-rural-hospitals-red-pressured-high-medicare-advantage-enrollment> Accessed Feb 24, 2024.

Psofka MA et al. Streamlining and Reimagining Prior Authorization Under Value-Based Contracts: A Call to Action From the Value in Healthcare Initiative's Prior Authorization Learning Collaborative. <https://www.ahajournals.org/doi/10.1161/CIRCOUTCOMES.120.006564> Accessed Feb 24, 2024.

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2024 Hawaii Medical Association Public Policy Coordination Team

Beth England, MD, Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

HCR-182

Submitted on: 3/18/2024 7:40:58 PM

Testimony for HLT on 3/20/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Martha Wiedman, M.D.	Hawaii Radiological Society	Support	Written Testimony Only

Comments:

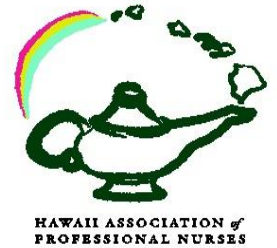
Hawaii need PA data, feedback and analysis to evaluate duration, data transparency and turnover times in our state. This will reduce PA barriers for approximately 65% of Hawaii patients who do not have federal health insurance.

Sincerely,

Martha Wiedman, M.D.

Legislative Liaison, HRS

Hawai'i Association of Professional Nurses (HAPN)



To: The Honorable Representative Della Au Belatti, Chair of
the House Committee on Health & Homelessness

From: Hawaii Association of Professional Nurses (HAPN)

Subject: HCR182 – REQUESTING THE AUDITOR TO ASSESS
THE CHALLENGES TO THE TIMELY DELIVERY OF
HEALTH CARE SERVICES IN THE STATE DUE TO PRIOR
AUTHORIZATION REQUIREMENTS AND INCLUDE AN ANALYSIS OF
PRIOR AUTHORIZATION REFORM, WITH INPUT OF DATA AND
FEEDBACK FROM ALL STAKEHOLDERS, INCLUDING PATIENT
ADVOCATES, PROVIDERS, FACILITIES, AND PAYERS, in Support

Hearing: March 20, 2024, 10:30a.m.

Aloha Representative Belatti, Chair; Representative Takenouchi, Vice Chair; and Committee Members,

We are writing in support of HR162 and HCR182, crucial legislative proposals under your committee's consideration. These measures address significant challenges faced by Advanced Practice Registered Nurses (APRNs) in Hawaii, which, if unresolved, could jeopardize the sustainability of accessible healthcare in our communities.

Our advocacy for patient access to care has never been more urgent, as we witness the rapid deterioration of healthcare services due to clinic closures and the exit of healthcare providers from practice. This trend is attributable to a variety of factors, including the relocation of providers to states with more favorable business climates, retirements, and the challenging economics of healthcare provision exacerbated by inadequate insurance reimbursements and the high cost of living in Hawaii. A statewide survey by the Hawai'i Rural Health Association and Community First revealed that nearly half of the healthcare providers surveyed were contemplating leaving the profession or the state.

While these resolutions do not directly alter reimbursement rates for APRNs, it is essential to recognize that APRNs are currently navigating a healthcare landscape that places them at a financial disadvantage. This disadvantage is primarily due to reduced reimbursement rates from insurance companies for services that APRNs provide, in comparison to identical or similar services rendered by physicians. This discrepancy not only undermines the financial viability of APRN practices but also devalues the indispensable services they offer to our healthcare system, particularly in underserved and rural areas where they are often the primary, or only, source of healthcare.

APRNs face significant administrative burdens, especially concerning prior authorizations. These burdens entail considerable time and resources, detracting from patient care and increasing the operational costs of their practices. The combination of lower reimbursement rates and the excessive administrative workload exacerbates the financial strain on APRN practices, threatening their ability to remain open and accessible to the communities that rely on them.

HR162 and HCR182 represent an opportunity to begin addressing these challenges by acknowledging the critical role APRNs play in our healthcare system and the inequities they face. Supporting these resolutions is a step toward ensuring that APRNs can continue to provide essential healthcare services without the undue financial and administrative obstacles that currently threaten their practices.

I urge you to support HR162 and HCR182, recognizing the pressing need to address the financial disparities affecting APRNs and, by extension, the broader healthcare delivery system in Hawaii. Your backing of these measures will demonstrate a commitment to an equitable healthcare system that values the contributions of all its providers.

The mission of HAPN to represent APRNs in Hawaii has driven our commitment to enhance patient access to healthcare and to advocate for the recognition and full practice authority of APRNs within our state. Our efforts have not only aimed at improving the physical and mental health of our communities but have also led to the establishment of clinics that embody our commitment to providing exemplary care.

In light of these considerations, HAPN respectfully requests your committee to pass these resolutions. This legislative action would represent a significant step forward in improving healthcare access and affordability for all residents of Hawaii. We are grateful for the opportunity to share our perspective and for your continued support of the nursing profession in the Aloha State.

Respectfully,

Dr. Jeremy Creekmore, APRN
HAPN President

HCR-182

Submitted on: 3/18/2024 12:08:34 PM

Testimony for HLT on 3/20/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Scott Grosskreutz, M.D.	Hawaii Provider Shortage Crisis Task Force	Support	Written Testimony Only

Comments:

Hawaii has the most severe shortage of primary care providers in America, and the shortage of doctors exceeding 40% on Maui and the Big Island.

Hawaii's local insurance industry has highly burdensome and restricted prior authorization mandates that further limit the ability of our small number of healthcare professionals to see or accept more patients. Small private practices, already struggling with low reimbursements and the Hawai'i GET taxation, often have to hire additional staff just to deal with abusive local PA policies. Hawaii is one of only a handful of states with no state laws reining in prior authorization abuses.

All too often medically indicated medical services are denied by insurance companies, leading to adverse outcomes for patients. A major lawsuit on behalf of patients and providers is slated to go to trial on Hawai'i Island after a recent ruling by Judge Ronald Kim. This recent New York Times story chronicles what happens when the recommendations of highly trained medical specialists are overridden by bureaucratic insurance policies, which largely exist to deny and delay care.

<https://www.nytimes.com/2024/03/14/opinion/health-insurance-prior-authorization.html>



'Ahahui o nā Kauka

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2023-2024 Advocacy Committee

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Kapono Chong-Hanssen, MD
Vice-President & Advocacy Chair

Mahealani Lum, DO
Secretary

Kara Wong Ramsey, MD
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March 19th, 2024

COMMITTEE ON HEALTH & HOMELESSNESS

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Rep. Jenna Takenouchi, Vice Chair

Rep. Terez Amato

Rep. Greggor Ilagan

Rep. Bertrand Kobayashi

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Rep. Scott Y. Nishimoto

Rep. Diamond Garcia

Group Testimony HCR 182 Prior Authorization Auditor Assessment

'Ahahui o nā Kauka is an organization of Native Hawaiian physicians dedicated to the health of the people of Hawai'i and Native Hawaiians in particular. We have all experienced the adverse health outcomes of delays in care for our patients caused by the misapplication of prior authorization requirements. We support HCR 182 request of the auditor to assess the impact these prior authorizations have on health care deliver and stand in agreement with testimony submitted by the Hawai'i Medical Association on this issue.

HCR-182

Submitted on: 3/18/2024 12:35:05 PM

Testimony for HLT on 3/20/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Thomas Weiner	Individual	Support	Written Testimony Only

Comments:

Dear Esteemed Members of the Hawaii State Legislature,

As a physician on Big Island, I have first hand experience with the challenges prior authorizations pose. During my 11 years of practice I have witnessed the prior authorizations becoming a rapidly expanding burden on the medical system. Sold as a way to control costs they have been over used and poorly implemented. Too often I have seen patient’s care suffer due to insurances suddenly denying care or making the prior authorization process so slow that patient goes without care or gets discharged from a rehabilitation facility before it is safe. I was recently told by Ohana Health Plan it would take 5 days to conduct a peer to peer to consider approval for in patient rehabilitation for a patient recovering from a stroke.

Hawaii has the most severe shortage of primary care providers in America, and the shortage of doctors exceeding 40% on Maui and the Big Island.

Hawaii's local insurance industry has highly burdensome and restricted prior authorization mandates that further limit the ability of our small number of healthcare professionals to see or accept more patients. Small private practices, already struggling with low reimbursements and the Hawai’i GET taxation, often have to hire additional staff just to deal with abusive local PA policies. Hawaii is one of only a handful of states with no state laws reining in prior authorization abuses.

All too often medically indicated medical services are denied by insurance companies, leading to adverse outcomes for patients. A major lawsuit on behalf of patients and providers is slated to go to trial on Hawai’i Island after a recent ruling by Judge Ronald Kim. This recent New York Times story chronicles what happens when the recommendations of highly trained medical specialists are overridden by bureaucratic insurance policies, which largely exist to deny and delay care.

<https://www.nytimes.com/2024/03/14/opinion/health-insurance-prior-authorization.html>

HCR-182

Submitted on: 3/18/2024 12:47:33 PM

Testimony for HLT on 3/20/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Edward Gutteling, M.D.	Individual	Support	Written Testimony Only

Comments:

The healthcare insurance industry-wide use of the PRIOR AUTHORIZATION mechanism supposedly to control costs and limit care to appropriate items only,

has now morphed into an inappropriately outsourcing of thier responsibility to unqulified and uncaring persons and algorithms

and in effect is a delaying and denial of care mechnaism,

that uselesly increases the time and costs of delivering health care to patients by their doctors and providers, and denies patients the care they deserve in a timely fashion.

It is now killing and hurting patients, and contributing to the rapidly declining numbers of providers as an unacceptable burdon.

This is now both **UNETHICAL AND DANGEROUS**

REFORM IS NOW A CRITICAL AND ESSENTIAL PRIORITY, NATIONWIDE AND IN HAWAII

I refer you to the model AMA bill, already adopted elsewhwre

<https://www.ama-assn.org/system/files/model-bill-ensuring-transparency-in-prior-authorization.pdf>

: Purpose.

The Legislature hereby finds and declares that:

(a) The patient-physician relationship is paramount and should not be subject to third-party 6 intrusion;

(b) Prior authorization programs place cost savings ahead of optimal patient care;

and (c) **Prior authorization programs shall not be permitted to hinder patient care or intrude on the practice of medicine.**

HCR-182

Submitted on: 3/18/2024 1:02:55 PM

Testimony for HLT on 3/20/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Andrew Kayes, M.D.	Individual	Support	Written Testimony Only

Comments:

Hawaii has the most severe shortage of primary care providers in America, and the shortage of doctors exceeding 40% on Maui and the Big Island.

Hawaii's local insurance industry has highly burdensome and restricted prior authorization mandates that further limit the ability of our small number of healthcare professionals to see or accept more patients. Small private practices, already struggling with low reimbursements and the Hawai'i GET taxation, often have to hire additional staff just to deal with abusive local PA policies. Hawaii is one of only a handful of states with no state laws reining in prior authorization abuses.

All too often medically indicated medical services are denied by insurance companies, leading to adverse outcomes for patients. A major lawsuit on behalf of patients and providers is slated to go to trial on Hawai'i Island after a recent ruling by Judge Ronald Kim. This recent New York Times story chronicles what happens when the recommendations of highly trained medical specialists are overridden by bureaucratic insurance policies, which largely exist to deny and delay care.

HCR-182

Submitted on: 3/18/2024 2:00:57 PM

Testimony for HLT on 3/20/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Stephanie Yan	Individual	Support	Written Testimony Only

Comments:

Dear Honorable State Legislators,

The \$35 billion annually spent on prior authorizations is a significant waste for medical practices, misleadingly counted as "patient medical services" spending. This not only delays treatment, harming patients, but also misuses funds. Modern technology allows for a better approach: transparently publishing data on healthcare practitioners to identify and audit outliers. However, this system must be carefully regulated to prevent abuse and ensure it doesn't stifle competition among doctors. Immediate action is needed to correct these inefficiencies and prioritize patient care. Support our efforts to get rid of prior authorizations .

Here is a New York Times articles that call for a nationwide investigation into this wasteful and ineffecient delay tactics by insurance to deny timely access to care which is tantamount to practicing medicine without a license, which is illegal in all 50 states.

I want to highlight an insightful New York Times article that advocates for a nationwide inquiry into the detrimental and inefficient delay strategies employed by insurance companies. These tactics obstruct timely access to medical care, effectively equating to the unauthorized practice of medicine—a violation of the law across all 50 states.

Explore the full article here: [New York Times Opinion on Health Insurance Prior Authorization](https://www.nytimes.com/2024/03/14/opinion/health-insurance-prior-authorization.html?unlocked_article_code=1.dE0.FHgC.2lnQoigJVpT9&smid=url-share&fbclid=IwAR18sq3oy13ULHas2Zkj3mTR7-d3Y87B7YZMm3AXnZgStj7N99Z6cy9Lcbw):

https://www.nytimes.com/2024/03/14/opinion/health-insurance-prior-authorization.html?unlocked_article_code=1.dE0.FHgC.2lnQoigJVpT9&smid=url-share&fbclid=IwAR18sq3oy13ULHas2Zkj3mTR7-d3Y87B7YZMm3AXnZgStj7N99Z6cy9Lcbw

Additionally, I've created and shared a video on social media shedding light on the severe consequences of prior authorizations—unnecessary delays that lead to wasteful spending, delayed diagnoses, and tragically, preventable deaths. Watch and share the video to spread awareness: [My Video on the Impact of Prior Authorizations](https://youtu.be/P8gqheacLSE): <https://youtu.be/P8gqheacLSE>

We already have examples, like Medicare, and the technology needed to eliminate the requirement for prior authorizations. It's becoming increasingly evident that these are nothing more than profit-driven measures by insurance companies, amounting to unauthorized medical practice, which is illegal nationwide.

This issue is not distant; it affects us all, whether you have children, are nearing retirement, or simply care about the health and well-being of our communities. It's time to stand up for future generations and advocate for changes to systems that not only waste resources but pose a direct threat to our health. Let's fight for a future where access to care is a right, not a battle.

Mahalo for your time and support and care for our State and communities.

Sincerely,

Dr Stephanie Yan

HCR-182

Submitted on: 3/18/2024 3:51:13 PM

Testimony for HLT on 3/20/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Laeton J Pang	Individual	Support	Written Testimony Only

Comments:

As a practicing physician since 1994, I'm writing in favor of the resolution as Hawai'i has the most severe shortage of primary care providers in America, and the shortage of doctors exceeding 40% on Maui and the Big Island.

Hawai'i's local insurance industry has highly burdensome and restricted prior authorization mandates that further limit the ability of our small number of healthcare professionals to see or accept more patients. Small private practices, already struggling with low reimbursements and the Hawai'i GET taxation, often have to hire additional staff just to deal with abusive local PA policies. Hawai'i is one of only a handful of states with no state laws reining in prior authorization abuses.

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<https://www.nytimes.com/2024/03/14/opinion/health-insurance-prior-authorization.html>

Laeton J Pang, MD, MPH, FACR, FACRO, FACCC, FASTRO

HCR-182

Submitted on: 3/19/2024 5:18:15 AM

Testimony for HLT on 3/20/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Richard Lee	Individual	Support	Written Testimony Only

Comments:

As a practicing physician since 2013, I'm writing in favor of the resolution as Hawaii has the most severe shortage of primary care providers in America, and the shortage of doctors exceeding 40% on Maui and the Big Island.

Hawaii's local insurance industry has highly burdensome and restricted prior authorization mandates that further limit the ability of our small number of healthcare professionals to see or accept more patients. Small private practices, already struggling with low reimbursements and the Hawai'i GET taxation, often have to hire additional staff just to deal with abusive local PA policies. Hawaii is one of only a handful of states with no state laws reining in prior authorization abuses.

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<https://www.nytimes.com/2024/03/14/opinion/health-insurance-prior-authorization.html>

Please feel free to contact me if you need any further information. Thank you so much.

Dr. Richard Lee

HCR-182

Submitted on: 3/19/2024 6:21:28 PM

Testimony for HLT on 3/20/2024 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kaohimanu Lydia K Dang Akiona	Individual	Support	Written Testimony Only

Comments:

Dear Honorable State Legislators,

I am writing to strongly support suspending, eliminating or at least limiting prior authorizations as they pertain to medical care. This practice interferes with my ability to provide timely reasonable care and hurts our most vulnerable and marginalized patients and populations every day. I am a full spectrum Family Medicine physician providing primary, urgent, and occupational health care including workers compensation on Hawai`i Island and in Maui county on Moloka`i. While my practice on Hawai`i Island is impacted daily by prior authorizations, there is SIGNIFICANTLY more delay, impact, and barriers experienced for our Moloka`i patients. Every patient triggers multiple prior authorizations for basic care, referrals, transportations, supplies and durable medical equipment, and many general prescriptions and medications. It is a matter of life and death in many cases and I am telling you, many patients and their families/caregivers are suffering the consequences of this systemic harmful practice. This additional administrative burden is also contributing to the lack of providers willing or able to extend their services to remote, underserved areas like Moloka`i.

The \$35 billion annually spent on prior authorizations is a significant waste for medical practices, misleadingly counted as "patient medical services" spending. This not only delays treatment, harming patients, but also misuses funds. Modern technology allows for a better approach: transparently publishing data on healthcare practitioners to identify and audit outliers. However, this system must be carefully regulated to prevent abuse and ensure it doesn't further exacerbate the already crisis level shortages of providers and worsen patients access to reasonable care. Immediate action is needed to correct these inefficiencies and prioritize patient care and safety. Please support our efforts to get rid of prior authorizations which delay and disrupt care and ultimately lead to preventable complications and even death.

As many of my colleagues have shared with you, I want to highlight an insightful New York Times article that advocates for a nationwide inquiry into the detrimental and inefficient delay strategies employed by insurance companies. These tactics are profit-driven, obstruct timely access to medical care, and effectively equate to the unauthorized practice of medicine—a violation of the law across all 50 states.

Explore the full article here: [New York Times Opinion on Health Insurance Prior Authorization:](#)

https://www.nytimes.com/2024/03/14/opinion/health-insurance-prior-authorization.html?unlocked_article_code=1.dE0.FHgC.2lnQoigJVpT9&smid=url-share&fbclid=IwAR18sq3oy13ULHas2Zkj3mTR7-d3Y87B7YZMm3AXnZgStj7N99Z6cy9Lcbw

Please help us address this issue now and advocate for changes to system. These practices not only waste resources but pose a direct threat to the health and wellbeing of us all. *REFORM IS NOW A CRITICAL AND ESSENTIAL PRIORITY, NATIONWIDE AND IN HAWAII.* Please help us address this unnecessary impediment to providing the best possible care to all.

Mahalo for your time and support and consideration of this important issue impacting care for our State and communities.

`O au iho no me ka ha`aha`a,

Ka`ohimanu Dang Akiona, MD