

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

Testimony in SUPPORT of SCR10

URGING THE DIRECTOR OF HEALTH TO ESTABLISH A WORKING GROUP ON HEALTH INSURANCE REFORM TO PROVIDE RECOMMENDATIONS FOR REDUCING THE IMPACT OF PRIOR AUTHORIZATION REQUIREMENTS ON THE TIMELY DELIVERY OF HEALTHCARE IN THE STATE.

SENATOR JOY A. SAN BUENAVENTURA, CHAIR
SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

Hearing Date: February 26, 2025

Room Number: 225

1 **Department Testimony:** The Department of Health (DOH) supports the intent of SCR10 and
2 recommends to improve its efficacy.

3 In addition to examining prior authorization practices in the State, DOH offers amendments to
4 implement an alternative mechanism to assure quality and cost control, which is to convene a
5 working group to identify and act upon a consensus set of community clinical guidelines. These
6 amendments are essentially the substance of the original draft of [HB250](#).

7 Thank you for the opportunity to testify.

8 **Offered Amendments:**

9 BE IT RESOLVED by the Senate of the Thiry-third Legislature
10 of the State of Hawaii, Regular Session of 2025, the House of
11 Representatives concurring, that the Director of Health is
12 requested to establish health care appropriateness and necessity
13 working group to identify consensus community guidelines to be

1 voluntarily implemented by health plans in lieu of prior
2 authorization practices for certain healthcare services; and

3 BE IT FURTHER RESOLVED that the working group is requested
4 to determine by research and consensus:

5 (1) The most respected peer-reviewed national scientific
6 standards;

7 (2) Clinical guidelines; and

8 (3) Appropriate use criteria published by federal
9 agencies, academic institutions, and professional
10 societies,

11 that correspond to each of the most frequent clinical
12 treatments, procedures, medications, diagnostic images, or types
13 of medical equipment prescribed by licensed physicians and other
14 health care providers in the State that trigger prior
15 authorization determinations by the utilization review entities;
16 and

17 BE IT FURTHER RESOLVED that the working group is requested
18 to assess whether it is appropriate to require prior
19 authorization for each considered clinical treatment, procedure,
20 medication, diagnostic image, or type of medical equipment

1 prescribed by licensed physicians and other health care
2 providers; and

3 BE IT FURTHER RESOLVED that the working group is requested
4 to make recommendations on standards for third party
5 reviewers related to the specialty expertise of those reviewing
6 and for those discussing a patient's denial with their health
7 care provider; and

8 BE IT FURTHER RESOLVED that the working group is requested
9 to recommend appropriate time frames within which urgent and
10 standard requests shall be decided; and

11 BE IT FURTHER RESOLVED that the working group is consist
12 of:

13 (1) Five members representing insurers and utilization
14 review entities, three of whom shall be appointed by
15 the governor, one of whom shall be appointed by the
16 president of the senate, and one of whom shall be
17 appointed by the speaker of the house of
18 representatives;

19 (2) Five members representing physicians, hospitals, and
20 other licensed health care providers, three of whom

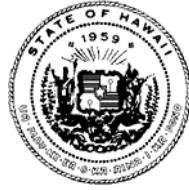
1 shall be appointed by the governor, one of whom shall
2 be appointed by the president of the senate, and one
3 of whom shall be appointed by the speaker of the
4 house of representatives; and

5 (3) Five members representing consumers of health care,
6 three of whom shall be appointed by the governor, one
7 of whom shall be appointed by the president of the
8 senate, and one of whom shall be appointed by the
9 speaker of the house of representatives.

10 BE IT FURTHER RESOLVED that the working group members shall
11 elect a chairperson and vice chairperson from amongst
12 themselves; and

13 BE IT FURTHER RESOLVED that the working group shall submit
14 a report of its findings and recommendations, including any
15 proposed legislation, to the legislature no later than twenty
16 days prior to the convening of each regular session.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



RYAN I. YAMANE
DIRECTOR
KA LUNA HO'OKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWE LAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

February 25, 2025

TO: The Honorable Senator San Buenaventura, Chair
Senate Committee on Health and Human Services

FROM: Ryan I. Yamane, Director

SUBJECT: **SCR 10/SR 6 – URGING THE DIRECTOR OF HEALTH TO ESTABLISH A WORKING GROUP ON HEALTH INSURANCE REFORM TO PROVIDE RECOMMENDATIONS FOR REDUCING THE IMPACT OF PRIOR AUTHORIZATION REQUIREMENTS ON THE TIMELY DELIVERY OF HEALTHCARE IN THE STATE.**

Hearing: Wednesday, February 26, 2025, Time 1:00 p.m.
Conference Room 225 & Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this resolution, defers to the Department of Health, and provides comments.

PURPOSE: Requesting that the Director of Health establish a working group on health insurance reform to provide recommendations for reducing the impact of prior authorization requirements on the timely delivery of healthcare in the State; the DHS Med-QUEST Administrator or delegate is a named member of the seven-member working group. The working group is requested to consider all relevant federal law, Hawaii law, and law in other states to determine whether there are statutes and regulations that establish: (1) Reasonable and appropriate prior authorization response times, including whether a response time of twenty-four hours for urgent care and forty-eight hours for non-urgent care is feasible; (2) Valid prior authorizations for medications for a period of at least one year, regardless of dosage changes; (3) Valid prior authorizations for the length of treatment for patients having chronic

conditions; (4) That adverse determinations should only be conducted by providers licensed in the State and of the same specialty that typically manages the patient's conditions; (5) The manner in which retroactive denials may be avoided if care is preauthorized; (6) Procedures whereby private insurers may publicly release prior authorization data, disaggregated by drug or service, as it relates to approvals, denials, appeals, wait times, and other categories; (6) Reasonable and appropriate periods of time for a new health plan to honor a patient's prior authorization for a transitional period of time; and (7) Criteria or factors that would allow for a reduction in the total volume of prior authorization requests, such as exemptions or gold-carding programs.

The topic of ensuring the timely provision of health care services while also ensuring the necessary, cost-effective, clinically appropriate, and eligible coverage through the use of prior authorizations is very timely. There is robust dialogue nationally and locally in Hawaii on access to care. DHS Med-QUEST administration is very interested in participating in such a workgroup as it impacts the Medicaid members, the health care providers, and the Medicaid managed care plans.

Thank you for the opportunity to provide comments on this resolution.

Testimony of
Jonathan Ching
Government Relations Director

Before:
Senate Committee on Health and Human Services
The Honorable Joy A. San Buenaventura, Chair
The Honorable Henry J.C. Aquino, Vice Chair

February 26, 2025
1:00 p.m.
Conference Room 225
Via Videoconference

Re: SCR 10/SR 6 URGING THE DIRECTOR OF HEALTH TO ESTABLISH A WORKING GROUP ON HEALTH INSURANCE REFORM TO PROVIDE RECOMMENDATIONS FOR REDUCING THE IMPACT OF PRIOR AUTHORIZATION REQUIREMENTS ON THE TIMELY DELIVERY OF HEALTHCARE IN THE STATE.

Chair San Buenaventura, Vice Chair Aquino, and committee members, thank you for this opportunity to provide testimony on SCR 10/ SR 6, which urges the Director of Health to establish a working group on health insurance reform to provide recommendations for reducing the impact of prior authorization requirements on the timely delivery of healthcare in the State

Kaiser Permanente Hawai‘i provides COMMENTS on SCR 10/ SR 6 and requests and AMENDMENT.

Kaiser Permanente Hawai‘i is one of the nation’s largest not-for-profit health plans, serving 12.6 million members nationwide, and more than 271,000 members in Hawai‘i. In Hawai‘i, more than 4,200 dedicated employees and more than 650 Hawai‘i Permanente Medical Group physicians and advance practice providers work in our integrated health system to provide our members coordinated care and coverage. Kaiser Permanente Hawai‘i has more than 20+ medical facilities, including our award-winning Moanalua Medical Center. We continue to provide high-quality coordinated care for our members and deliver on our commitment to improve the health of our members and the people living in the communities we serve.

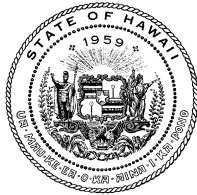
Kaiser Permanente Hawai‘i strives to ensure that all care provided to our members and patients is safe, equitable, practitioner-led, high-quality, high-value, and supported by the best available evidence. In our integrated model, prior authorization is used sparingly; however, it remains an important tool to ensure that care delivery comports with these standards. We, therefore, request that we be represented in the working group proposed by SCR 10/ SR 6 and any other interim

work that aims to regulate prior authorization in our state. We request the following addition to the working group on page 2, line 22:

(5) "A representative of Kaiser Permanente Hawaii, to be selected and invited to participate by the Director of Health; and"

Prior authorization should not inhibit the timely delivery of clinically appropriate care. We support policies that promote the development and use of technology to streamline administrative processes and facilitate communication between health plans, providers and patients.

We look forward to working with other stakeholders toward these goals. Mahalo for the opportunity to testify on this important measure.



**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

February 24, 2025

To: SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES
Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair; and
Honorable Members

From: John C (Jack) Lewin MD, Administrator, SHPDA

RE: SCR 10 / SR 6 – Urging the Director of Health to Establish a Working
Group on Health Insurance Reform to Provide Recommendations for
Reducing the Impact of Prior Authorization Requirement on the Timely
Delivery of Healthcare in the State

Hearing: February 26, 2025 at 1:00 pm

Position: SUPPORT the INTENT, with COMMENTS

Testimony:

SHPDA supports the intent of SCR 10/ SR 6 to establish a working group regarding streamlining of the prior authorization process.

In terms of state background on this issue, SHPDA worked with the Department of Health to propose in legislation during this session a means to accomplish two parallel and important improvements to the controversial prior authorization (PA) issue. We note that PA dissatisfaction among providers and consumers of healthcare services nationally has resulted in the tragic murder of an insurance executive, and has further resulted in numerous state bills to accelerate PA adjudications and to make the process more transparent to physicians, hospitals, other providers, and patients. The PA process also delays essential healthcare.

Additional important federal background is that the Centers for Medicare and Medicaid services (CMS) published in 2023 a new Final Rule, CMS-0057-F to expedite PA processes and interoperability standards in federal programs (Medicare, Medicaid, CHIP, and ACA Exchanges). The Rule takes full effect in 2027 but does not cover private commercial insurance. It also creates timeline for PA determinations, that while expedited, are not fast enough to satisfy physicians, hospitals, other providers, and consumers. Hence, the many state legislative bills and American Medical Association

recommendations to further shorten PA determination timelines, to include all insurers, and to accelerate implementation.

In Hawai'i during this session, in addition to introduced measures similar to other state bills, DOH and SHPDA proposed unique proposals for transparent reporting of PA practices by all insurers to SHPDA that are contained in SB1449 and HB250.

HB250 goes one major step further than SB1449 in establishing a Health Care Appropriateness and Necessity Working Group to establish a voluntary approach to collaboration by insurers, providers, and consumers/employers to achieve agreement on transparent, consistent, peer reviewed, and nationally recognized standards, guidelines, and appropriate use criteria for statewide use for PA determinations.

This would accomplish two things: first it would prevent providers from the frustration of having to navigate different, complex, and non-transparent standards for each insurer to seek PA approvals. Second it would allow for PA to be automated if standards could be agreed upon by all or most insurers. PA determinations could then occur while the patient is still in the doctor's office or while being admitted to the hospital.

HB250 HD1 was amended to include provisions from other PA bills that would add regulatory costs to SHPDA. These two §323 sections are entitled "Prior authorization for non-urgent health care services"; and "Prior authorization request for urgent health care services." They also contain definitions of health care providers and health care services which are inconsistent with SHPDA's existing statute, that the Attorney General has noted.

HB250 HD1 also was positively amended by changing the "health care appropriateness and necessity" entity from a commission to a working group. HB250 HD2 included another positive amendment to simplify the appointment process of the members of the working group.

With the 2 new "urgent and non-urgent services sections" in HB250 HD1 removed; and with the "health care appropriateness and necessity working group" simplified in terms of the appointment process in HB250 HD2 included, we believe this amended version of HB250 is a better approach to achieving the intent of SCR10.

SHPDA did not request new staff or resources for HB250 to manage the required reporting or to convene and staff the "health care appropriateness and necessity work group." While medical conditions are complex, associated with personal and genetic individualities, and with many possible co-morbidities and/or social factors attached to any medical diagnosis or recommended treatment, we live in the information age. These complexities are surmountable.

National academic, federal, and professional organizations have created sophisticated peer-reviewed guidelines and standards that reflect this complexity

already. For the working group proposed in HB250 to succeed, SHPDA believes no special consulting services or scientific consultants will be needed for determining scientific and clinical consensus on best standards to apply to unique PA determinations. We have the scientific and clinical expertise to do this among our providers, insurers, and employers/consumer groups now to achieve consensus of best standards. And SHPDA has staff capable of convening the working group.

SHPDA therefore recommends that this SCR10 be amended in its entirety with the language HB 250 HD2 with the following additional amendments:

1. The §323 sections entitled “Prior authorization for non-urgent health care services”; and also “Prior authorization request for urgent health care services” be removed; and
2. The §323D- Health care appropriateness and necessity working group; appointment process shall appear as in HB250 HD2 as:

(b) The administrator shall invite the following to be members of the working group:

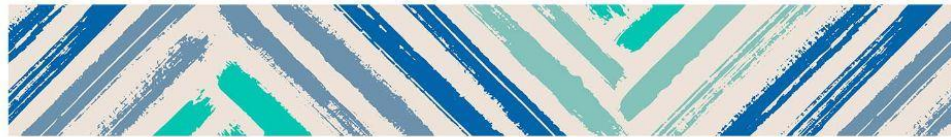
(1) Five members representing the insurance industry, to be selected by the Hawaii Association of Health Plans;

(2) Five members representing licensed health care professionals, two of whom shall be selected by the Hawaii Medical Association, two of whom shall be selected by the Healthcare Association of Hawaii, and one of whom shall be selected by the Hawaii State center for nursing; and

(3) Five members representing consumers of health care or employers, two of whom shall be selected by the board of trustees of the employer-union health benefits trust fund, one of whom shall be a consumer selected by the statewide health coordinating council, one of whom shall be selected by the Hawaii Primary Care Association, and one of whom shall be selected by Papa Ola Lokahi.

Also note that the Director of Health, the Insurance Commissioner, and the Administrator of the Med-Quest Division of DHS or their designees are asked to be ex-officio members of the working group.

I apologize for the complexity. However, mahalo for the opportunity to testify



February 26, 2025

To: Chair San Buenaventura, Vice Chair Aquino and Members of the Senate Committee on Health and Human Services (HHS)

From: Hawaii Association of Health Plans Public Policy Committee

Date/Location: February 26, 2025; 1:00 p.m./Conference Room 225 & Videoconference

Re: Testimony with comments on SCR10/SR6 – Prior Authorization Working Group

The Hawaii Association of Health Plans (HAHP) supports the intent of this resolution and would like to provide comments on SCR10/SR6. HAHP is a statewide partnership that unifies Hawaii's health plans to improve the health of Hawaii's communities together. A majority of Hawaii residents receive their health coverage through a plan associated with one of our organizations.

HAHP would like to strongly request that the legislature consider including a representative of the Hawaii Association of Health Plans as a member of the working group as Hawaii's health plans are critical to the prior authorization improvement conversation and looks forward to working with stakeholders to craft a reasonable path forward. We request the following addition to the working group:

"A member of the Hawaii Association of Health Plans, to be selected and invited to participate by the Director of Health; and"

Thank you for the opportunity to provide our comments on SCR10/SR6.

Sincerely,

HAHP Public Policy Committee
cc: HAHP Board Members



**Testimony to the Senate Committee on Health and Human Services
Wednesday, February 26, 2025; 1:00 p.m.
State Capitol, Conference Room 225
Via Videoconference**

RE: SENATE CONCURRENT RESOLUTION NO. 010/SENATE RESOLUTION NO. 006, URGING THE DIRECTOR OF HEALTH TO ESTABLISH A WORKING GROUP ON HEALTH INSURANCE REFORM TO PROVIDE RECOMMENDATIONS FOR REDUCING THE IMPACT OF PRIOR AUTHORIZATION REQUIREMENTS ON THE TIMELY DELIVERY OF HEALTHCARE IN THE STATE.

Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS THE INTENT** of Senate Concurrent Resolution No. 010 and Senate Resolution No. 006, URGING THE DIRECTOR OF HEALTH TO ESTABLISH A WORKING GROUP ON HEALTH INSURANCE REFORM TO PROVIDE RECOMMENDATIONS FOR REDUCING THE IMPACT OF PRIOR AUTHORIZATION REQUIREMENTS ON THE TIMELY DELIVERY OF HEALTHCARE IN THE STATE.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

These resolutions, as received by your Committee, would establish a working group on health insurance reform to provide recommendations for reducing the impact of prior authorization requirements on the timely delivery of health care in the State.

The HPCA asserts that current prior authorization requirements utilized by insurers and managed care plans have greatly diminished the provision of essential services to patients on a timely basis. This has negatively impacted the health care outcomes of the most vulnerable populations in the State. Because of this, the HPCA believes that convening a panel of stakeholders to look at this issue would be beneficial to investigate ways of improving the situation for our citizens.

Because of this, the HPCA wishes to participate in the Working Group and requests being added to the list of Working Group members.

The HPCA notes that the Department of Health does not have any licensing or regulatory authority over health insurers. This authority falls under the jurisdiction of the Department of Commerce and Consumer Affairs (DCCA). As such, this Committee may want to consider adding a representative from DCCA's Insurance Division to this Working Group.

Further, while prior authorization is an issue for mutual benefit societies, it is also applicable for accident and sickness insurers, and health maintenance organizations. Accordingly, your Committee may also want to consider adding representatives from these groups as well.

With these amendments, the HPCA urges your favorable consideration of this measure.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.



Hawaii Medical Association

1360 South Beretania Street, Suite 200 • Honolulu, Hawaii 96814
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SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair

Senator Henry J.C. Aquino, Vice Chair

Date: Feb 26, 2025

From: Hawaii Medical Association (HMA)

Jerald Garcia MD - Chair, HMA Public Policy Committee

Re: SCR 10/ SR 6 URGING THE DIRECTOR OF HEALTH TO ESTABLISH A WORKING GROUP ON HEALTH INSURANCE REFORM TO PROVIDE RECOMMENDATIONS FOR REDUCING THE IMPACT OF PRIOR AUTHORIZATION REQUIREMENTS ON THE TIMELY DELIVERY OF HEALTHCARE IN THE STATE- DHS; Health Insurance Reform; Prior Authorization; Working Group; Report

Position: Support

In this resolution, the Director of Health is urged to establish a working group on health insurance reform to provide recommendations for reducing the impact of Prior Authorization requirements on the timely delivery of healthcare in the State.

Prior Authorization (PA) is the upfront bottleneck to the delivery of many common necessary diagnostic tests and medical treatments. PA further compounds the increased costs and administrative demands on Hawaii medical providers and staff, made worse by the healthcare workforce shortages in our state. According to a report published by the Council for Affordable Quality Healthcare (CAQH), PA is the most expensive manual administrative transaction in healthcare, costing the plan \$3 and the physician \$11 for each transaction per patient.

Recent changes to CMS rules on PA will greatly improve the prior authorization process for patients in federal programs. However much more work is needed at the state level to ensure broader relief from the problems associated with harmful PA processes. Hawaii has an opportunity to build on federal requirements, and ensure greater patient protections, filling in many of the policy gaps that continue to exist.

The disclosure and reporting of the relevant payor utilization data of PA is imperative for meaningful analyses of challenges, and a body for oversight as described in this resolution is necessary to address deficiencies as well as monitor progress.

2025 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

2025 Hawaii Medical Association Public Policy Coordination Team

Jerald Garcia, MD, Chair

Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

HMA strongly supports the intent of this resolution. HMA respectfully requests the additions/ amendments below:

BE IT FURTHER RESOLVED that the working group is requested to comprise:

...(4) A representative of the **Hawaii Association of Health Plans (HAHP) such as** Hawaii Medical Service Association, to be selected and invited to participate by the Director of Health;

...(7) members who practice as ~~family~~ **1) primary care and 2) specialty medicine** physicians in the State, to be selected and invited to participate by the Director of Health;

Given the complexities of PA and healthcare delivery, modifications and revisal will require ongoing assessment and review over time. The work to eliminate PA barriers should also include specific provisions to reduce time delays and volumes of PA, ensure continuity of care, improve transparency and ensure high quality review of care delivery for Hawaii patients, bridging PA policy gaps that worsen Hawaii healthcare disparities.

Thank you for allowing the Hawaii Medical Association to testify in support of this resolution.

REFERENCES AND QUICK LINKS

Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services (HHS). CMS Interoperability and Prior Authorization Final Rule (CMS-0057-F) <https://www.cms.gov/files/document/cms-0057-f.pdf> Accessed Jan 28 2025.

American Medical Association. Issue Brief: Federal Changes to Prior Authorization Rules and their Impact on State Legislative Efforts. https://cdn.ymaws.com/hawaiimedicalassociation.org/resource/resmgr/advocacy/prior_auth_issue_brief_on_fe.pdf Accessed Jan 28 2025.

Pestaina K et al. Final Prior Authorization Rules Look to Streamline the Process, but Issues Remain. [KFF.org May 2 2024](https://www.kff.org/policy-and-program/prior-authorization/final-prior-authorization-rules-look-to-streamline-the-process-but-issues-remain/). Accessed Feb 4 2025.

2019 Council for Affordable Quality Healthcare (CAQH) Index. [Conducting Electronic Business Transactions: Why Greater Harmonization Across the Industry is Needed. CAQH.org 2020](https://www.caqh.org/2019-council-for-affordable-quality-healthcare-caqh-index/). Accessed Feb 24 2025.

American Medical Association. 2023 AMA Prior Authorization (PA) Physician Survey. <https://www.ama-assn.org/system/files/prior-authorization-survey.pdf> Accessed Jan 28 2025.

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American Association of Family Physicians (AAFP). Prior Authorization. <https://www.aafp.org/family-physician/practice-and-career/administrative-simplification/prior-authorization.html> Accessed Jan 28 2025.

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2025 Hawaii Medical Association Public Policy Coordination Team

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Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director



February 26, 2025

The Honorable Joy A. San Buenaventura, Chair
The Honorable Henry J.C. Aquino, Vice Chair
Senate Committee on Health and Human Services

Re: SCR10/SR6 – URGING THE DIRECTOR OF HEALTH TO ESTABLISH A
WORKING GROUP ON HEALTH INSURANCE REFORM TO PROVIDE
RECOMMENDATIONS FOR REDUCING THE IMPACT OF PRIOR
AUTHORIZATION REQUIREMENTS ON THE TIMELY DELIVERY OF
HEALTHCARE IN THE STATE

Dear Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee:

Hawaii Medical Service Association (HMSA) supports SCR10/SR6, urging the director of health to establish a working group on health insurance reform to provide recommendations for reducing the impact of prior authorization requirements on the timely delivery of healthcare in the state.

We support the intent of the resolutions and appreciate the legislature's recognition of the importance of prior authorization (PA). It is one of many important components that help to keep health care premiums affordable and will continue to help ensure the long-term sustainability of Hawaii's overall healthcare system. As a health organization partnering with over 7,500 providers across the state, we understand the challenges and are committed to working collaboratively to improve the prior authorization process and transparency of reporting while ensuring the highest quality of care for our members.

We appreciate the opportunity to support this resolution and to continue to find ways to continuously improve the quality of care for our members and the residents of Hawaii.

Sincerely,

Dawn Kurisu
Assistant Vice President
Community and Government Relations

SCR-10

Submitted on: 2/21/2025 11:52:59 AM

Testimony for HHS on 2/26/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Allen Novak	Individual	Support	Written Testimony Only

Comments:

I wish to testify in support of this measure.

Allen Novak, APRN

SCR-10

Submitted on: 2/24/2025 8:47:56 AM

Testimony for HHS on 2/26/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robert Thomas Carlisle, MD, MPH	Individual	Support	Written Testimony Only

Comments:

SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

Sen. Joy A. San Buenaventura, Chair

Sen. Henry Aquino, Vice Chair

Date: February 24, 2025

From: Robert Carlisle, MD, MPH

RE: SCR No. 10; ESTABLISH A WORKING GROUP ON HEALTH INSURANCE REFORM TO PROVIDE RECOMMENDATIONS FOR REDUCING THE IMPACT OF PRIOR AUTHORIZATION REQUIREMENTS

Position: Support

Thank you for allowing testimony on SCR No. 10. I endorse the need to mitigate the adverse impact of prior authorization burden leading to frustration of patients and burnout of physicians seeking appropriate health care.

There have been many bills before the legislature this session, and all contain important elements to improve the burden of prior authorization affecting the people of Hawai'i. SCR No. 10 moves the issue, the health, and the health care of the people of Hawai'i forward in a meaningful way.

I especially wish to express appreciation for the following elements.

- Reasonable and appropriate prior authorization response times

- Authorizations of services are valid for duration of treatment course for chronic conditions
- Exemption of physicians from prior authorization if their approval rate exceeds a set standard
- Adverse determinations should only be conducted by providers of the same or similar specialty that manage a condition
- Rollover of authorized services from one insurer to another for a designated period
- Inclusion of primary care on a working group, whether it is family medicine or another primary care specialty

As attention to prior authorization continues, I wish to express support for consideration of the following items.

- Access to transparent authorization requirements that are free of charge to patients and health care providers
- Payers and plans provide specific reasons for denying an authorization request and communicate the action needed to obtain coverage or to select an alternative treatment
- Prohibition on prior authorization requirements for medication use for opioid disorder; for buy-and-bill provision of services for family planning and reproductive health pharmaceuticals and supplies; and for the associated medical services
- Eventual inclusion of outpatient prescription drugs

Thank you for allowing me to testify on this.

SCR-10

Submitted on: 2/24/2025 6:16:05 PM

Testimony for HHS on 2/26/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ellen Awai	Individual	Support	Written Testimony Only

Comments:

I stand in support of SCR10 & SR6. Mahalo!