



February 6, 2019

The Honorable Laurie Monnes Anderson
Chair, Senate Health Care Committee
State Capitol
Salem, Oregon 97301

RE: Senate Bill 249 – Prior Authorization

Dear Senator Monnes Anderson and members of the committee:

Providence Health & Services appreciated the opportunity to work with the Department of Financial Regulation and other affected stakeholders to address concerns and challenges associated with prior authorization. We feel as though Senate Bill 249 reflects the excellent work done by that group and urge the Committee to join us in support of this bill with -1 amendments.

Providence Health Plan and insurers across the state rely on proven tools, such as prior authorization, to guard against waste and ensure that services delivered are necessary, safe and effective. We are able to achieve measurable cost savings using prior authorization that we pass on to consumers. SB 249 allows us to continue effective prior authorization programs while creating process improvements that reduce provider administrative burden and consumer wait times.

Current Oregon law requires health insurers to answer a non-emergent request for prior authorization within two business days. This short timeline often creates delays and administrative burden for providers and insurers because it does not allow for an opportunity to gather additional information when necessary. As a result, prior authorization requests that do not contain adequate information are denied and the process must start over which can be confusing to consumers and frustrating for providers and insurers. SB 249 creates a mechanism and associated timelines for the provision of additional information during this process. This will reduce consumer wait times and confusion associated with prior authorizations along with administrative burdens for both providers and insurers.

Providence is committed to continuing to work with the legislature and stakeholders to ensure that quality and cost-containment tools continue to be effective while looking for ways to reduce provider administrative burden and consumer confusion associated with them. Thank you for the opportunity to provide comments and we look forward to further discussion.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Gluckman, M.D.", is written over a light blue horizontal line.

Robert Gluckman, M.D., MACP
Chief Medical Officer for Providence Health Plans