

SUPPORT MEMO

Date: June 6, 2024

To: Hudson Valley and Long Island Members of the Legislature

From: Wendy Darwell, President & CEO

Re: A.7268-A/S.3400-A

On behalf of the Suburban Hospital Alliance, which represents hospitals and health systems on Long Island and in the Hudson Valley, we urge your support for A. 7268-A/S. 3400-A, which would implement sensible reforms to the prior authorization and utilization review processes that health insurers have increasingly abused to the detriment of patient care.

Prior authorization can play an important role in ensuring that patients get the right care in the right place, but health plans have turned it into a tool for delaying or denying even the most routine care. This unnecessarily consumes provider resources, frustrates patients and, in some cases, results in consumers giving up on needed care altogether.

A. 7268-A/S. 3400-A addresses these bureaucratic obstacles that unreasonably impact patient care and create unnecessary costs for healthcare providers. This legislation would:

- Require that health plans utilize evidence-based and peer-reviewed clinical criteria to make
 determinations about medical necessity. Plans should be held to rigorous standards in their
 review of treatment recommended by a qualified clinician, rather than using proprietary products
 that cannot be externally verified.
- Require that health plans' utilization review agents generally make determinations within 72 hours of receiving the provider's request, as opposed to the three business days required by current law. When the patient's clinical condition demands it, this legislation would shorten that timeframe to 24 hours. Patients need care seven days a week; plans insisting on these utilization review mechanisms should likewise be available to support the beneficiaries' needs seven days a week. Patients should not remain in a hospital bed for excess days, often without any additional reimbursement for the hospital, if they are clinically appropriate for a different level of care.
- Extend the validity of an authorization for the duration of treatment for a specific condition if
 requested by a provider. It places an undue burden on the patient and provider to continue
 seeking new authorizations for ongoing treatment, which can lead to delayed care.

The abuse of prior authorization processes has become so rampant that the Centers for Medicare and Medicaid Services (CMS), which oversees the Medicare program, issued similar regulations this year to crack down on these practices in the Medicare Advantage program. New York should do the same for its regulated health insurance products. We urge passage of this important legislation.