

September 20, 2022

TO: Honorable Members of the Pennsylvania House of Representatives

FROM: Heather Tyler, Vice President, State Legislative Advocacy

SUBJECT: Support for Senate Bill 225, Prior Authorization Reform

Dear Honorable Members of the Pennsylvania House of Representatives:

On behalf of more than 235 members statewide, The Hospital and Healthsystem Association of Pennsylvania (HAP) expresses its support for Senate Bill 225 to reform the process of prior authorization by insurance companies for treatment in medical care. The bill unanimously passed the Senate and, we understand, will soon be considered by the House Insurance Committee.

As you know, efforts in this area have been underway for several sessions. And as partners in ensuring the health of Pennsylvanians, we thank you and commend legislative staff who have worked so hard to achieve consensus among so many diverse interests, all with an eye toward benefitting patients.

With so few session days left, we respectfully urge you to make passage of SB 225 a priority. We thank you for your serious consideration of both the substance and urgency of this bill.

Prior authorization delays and denials create significant challenges to all manner of health care services, including routine medications, tests, and procedures. SB 225, if amended in committee as proposed, implements legislative protections against certain payor practices and helps remove administrative barriers that burden providers, delay medically necessary patient care, result in hospital underpayments, and increase health care costs for all patients, businesses, and government payors.

SB 225 does not end prior authorization or step therapy. Rather, among other provisions, it establishes a minimum approval duration to expedite the prior authorization process and reduces administrative burdens for hospitals, physicians, and other health care providers.

Some key details include:

- Clearly defined terms for the prior authorization process
- Explicit affirmation that emergency treatment is not subject to prior authorization
- Requirements that insurers publish the parameters for when prior authorization is necessary, as well as the criteria used to approve or deny coverage
- Timeframes in which prior authorization determinations must be completed: urgent health care needs, not more than 72 hours; standard health care needs, not more than 15 days



Leading for Better Health

Support for Senate Bill 225, Prior Authorization Reform

September 19, 2022

Page 2

- Duty for insurers to provide written documentation with specific reasons for denial decisions and instructions for how patients can appeal
- Obligation for insurers to create a process where patients and physicians can request exceptions from step-therapy (also called “fail first”) programs
- Details for sharing electronic documents between the patient, physician, and insurer which continue to protect privacy of electronic medical records

Thank you for your commitment to improving health care for all Pennsylvanians. We urge you to vote **yes** on SB 225.

If you have any questions, you are welcome to contact [me](#) at (717) 561-5350.