

August 7, 2023

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Office of the Insurance Commissioner

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RE: Proposed Prior Authorization Rulemaking

Delivered electronically

Dear Ms. Brake,

On behalf of the Washington State Medical Association (WSMA), thank you for the opportunity to provide comment on the Office of the Insurance Commissioner's (OIC) rulemaking revising the prior authorization process.

The WSMA has a long and continuing history of advocating for prior authorization reforms to facilitate the efficient delivery of medically necessary and appropriate health care services. As the primary proponent of [House Bill 1357](#), the WSMA is grateful the OIC is undertaking this rule.

Two of the primary aims of HB 1357 are facilitating movement to electronic prior authorization processes and promoting standardization across state-regulated insurance plans. The WSMA concurs with the OIC that the proposed rules are necessary to fully implement the new law relating to prior authorization requirements, including time frames for decisions, electronic authorization standards, communication, and reporting. Providing clarity to all effected health care entities about their rights and obligations under the new law will enable our members and their patients to start benefitting from these reform efforts as soon as possible.

It is well documented that prior authorization delays patients' access to care. A recent survey by the AMA of over 1,000 physicians found that 94% of physician respondents indicated that prior authorization led to delays in patients accessing care; 89% reported it had a negative impact on patient clinical outcomes; and 80% shared that it caused patients to abandon treatment.¹ The 2022 OIC health plan prior authorization data report to the Legislature found that the use of prior authorization for some services doubled in the last year alone, and that mental and behavioral services saw slower turnaround times and higher denial rates than other services.²

¹ [AMA prior authorization \(PA\) physician survey | AMA \(ama-assn.org\)](#)

² <https://www.insurance.wa.gov/sites/default/files/documents/2022-health-plan-prior-authorization-report.pdf>

Prior authorization also constitutes a significant administrative burden for physicians and practices. This can contribute to physician burnout and when prior authorization is applied excessively or inappropriately, can have the effect of increasing costs to the health care system. One recent analysis found that physicians spend more than \$26 billion annually processing prior authorizations³ and a separate study found that moving to electronic prior authorization processes is estimated to save \$437 million annually.⁴

HB 1357 was extensively negotiated, with the final version of the bill reflecting feedback from the OIC, Health Care Authority, insurance carriers, and patient groups, among others, and was approved unanimously by the House of Representatives and Senate. We encourage the OIC to work within the parameters of HB 1357 to update relevant WACs across state-regulated health plans, promoting standardization and helping to modernize care delivery.

Should you have any questions on our comment, please contact WSMA Policy Analyst, Hillary Norris, JD at hillary@wsma.org.

Sincerely,



Jeb Shepard
Director of Policy
Washington State Medical Association

³ [Quantifying The Economic Burden Of Drug Utilization Management On Payers, Manufacturers, Physicians, And Patients | Health Affairs](#)

⁴ [2021-caqh-index.pdf](#)

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