

September 29, 2023

Ms. Joyce Brake Washington State Office of the Insurance Commissioner 302 Sid Snyder Ave Olympia, WA 98504 Submitted via e-mail to: <u>rulescoordinator@oic.wa.gov</u>

RE: Prior Authorization - Implementation of E2SHB 1357 Prepublication Draft (R 2023-02)

Dear Ms. Brake,

On behalf of Cambia Health Solutions family of insurance companies ("Cambia"), including Regence BlueShield, Asuris Northwest Health, BridgeSpan Health Company, Regence BlueCross BlueShield of Oregon, and Regence BlueShield of Idaho, thank you for the opportunity to provide feedback on the prepublication draft for the implementation of E2SHB 1357 rulemaking. We are working diligently to implement E2SHB 1357, and we would like to recommend a few areas for clarification that would help us implement the intent of the legislation in a way that is administratively practical.

We support the goal of E2SHB 1357 to transform prior authorization using technology. We share the desire to reduce administrative burden and costs, and support faster determinations for patients. With similar goals in mind, Regence BlueShield is part of a partnership that launched the nation's first interoperable system to automate prior authorization requests within the provider's Electronic Medical Record last year. We have already seen first-hand that this move to interoperability will address many of the challenges providers, payers, and patients have with prior authorization.

E2SHB 1357 creates different standards for electronic and non-electronic prior authorizations, however, it did not define those key terms. We agree that further clarity of those terms are necessary and appreciate that the prepublication draft creates definitions. To provide incentive for providers to adopt new technology, the bill requires faster carrier determination timeframes on electronic submissions. We do not believe email rises to the legislative intent of leveraging technology to modernize prior authorization. Faxes, which are considered non-electronic requests, are automatically digitized and sent via email to an inbox, essentially making fax and email equivalent by today's technology standards. For that reason, we recommend email be moved to the definition of a non-electronic prior authorization request. To further clarify intent, we also recommend the definitions directly reference existing electronic prior authorization standards in Washington State law, including the secure online prior authorization processes established in 2019 and the new interoperable processes established by E2SHB 1357. Accordingly, we recommend the following language for these key definitions:

WAC 284-43-2050 (12)(e) For purposes of this subsection, the following definitions apply:

(i) An "electronic prior authorization request" is delivered via a two-way electronic communication system that meets the requirements of a secure online prior authorization process under WAC 284-43-2050 or an interoperable electronic process or prior authorization application programming interface under RCW 48.43.830.

(ii) A "non-electronic prior authorization request" is delivered through email, a phone call, a text message, a fax, U.S. mail, or any other method that does not meet the definition of an electronic prior authorization request.

WAC 284-43 subchapter D contains several sections that address prior authorization requirements. We believe the entire subchapter would benefit from updates to remove duplicate provisions and provide clarity in terms. We would like to offer the following technical suggestions to help simplify subchapter D:

- WAC 284-43-2000 creates requirements for "health care services utilization reviews," and WAC 284-43-2020 creates requirements for "drug utilization reviews." Definitions for these terms can be found in RCW 48.43.005(47) and RCW 48.43.400(5) respectively. We understand both those definitions encompass prior authorization requests. It may be helpful to include references to these definitions in this subchapter and clearly state in those sections when health plans should follow the new requirements under WAC 284-43-2050 for prior authorization requests instead.
- WAC 284-43-2020 contains timeframes for prescription drug utilization reviews that conflict with the new timeframes proposed under WAC 284-43-2050. Previously WAC 284-43-2050 only defined prior authorization standards for health care services but now that it applies to prescription drug prior authorization requests, these two sections need to be reconciled. We recommend removing the timeframes established under WAC 284-43-2020(5).

We would also like to express support for the Association of Washington Health Plan's (AWHP) letter on the prepublication draft. To streamline the OIC's review, we did not want to duplicate comments.

Thank you for considering our comments. Please let me know if you would like to discuss any of our feedback further. I can be reached at Jane.Douthit@Regence.com or (206) 332-5212.

Sincerely,

ane Jouria

Jane Douthit Cambia Health Solutions Sr. Public & Regulatory Affairs Specialist