

OREGON MEDICAL ASSOCIATION



MEMORANDUM

To: Senator Monnes Anderson, Chair, Senate Health and Human Services Committee
Senator Kruse, Vice-Chair, Senate Health and Human Services Committee
Members of the Committee

From: Bryan Boehringer, OMA Government Affairs
Courtnei Dresser, OMA Government Affairs

Date: April 9, 2013

Re: Support for SB 382

The OMA supports SB 382 and the efforts of the bill's sponsors to create a standardized prior authorization form. Standardizing the form used to authorize prescription drugs across insurers and health benefit plans will simplify the administrative burden on clinics and health care systems and help our patients receive their medications in a timely manner.

The increasing complexity of ensuring and collecting payment for medical care has made the provision of care more difficult for health care providers. The complexity of patient benefits, coupled with differing authorization processes for each insurer, makes it difficult for both the patient and clinical staff to secure appropriate authorizations in an efficient amount of time. Practices often contract with many insurers including local health plans, national insurers, Medicare and Medicaid as well as Tricare and workers' compensation. The inefficiencies of differing forms and requirements have meant increased labor costs for patient care that do not improve that care.

The American Medical Association (AMA) in 2010 found that phone calls and faxes between pharmacies and physician offices account for up to 20% of the physician-office staff and 25% of pharmacists' time. From our own membership, one of our physician's clinics witnessed labor cost for direct patient care increase by 66% as their patient volume decreased by 15%. This is not a sustainable model of care.

SB 382 addresses the complexities of a bureaucratic, non-uniform system through standardization that improves patient care and efficiency while reducing redundancy, administrative overlays, workflow inefficiencies and cost. This bill sets up immediate operational improvements for insurers and providers offices and creates a pathway for those providers who do not yet have electronic charting and patient tracking systems. Both state and Federal health care reform include a provision that all health care providers transition to secure electronic health information systems; it makes sense that the development of a standardized authorization form be accessible and utilized within that provider's system. Using a single form that can be accessed from within one's own system or from the state, increases the time the physician can spend with the patient and decreases the time the patient waits at