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AARP Oregon Supports SB 249 – Prior Authorization

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TO: Senate Committee on Health Care, Sen. Monnes Anderson, Chair FROM: Jon Bartholomew, Government Relations Director, AARP Oregon

AARP Oregon supports Senate Bill 249, which would protect health care insurance consumers from delays in receiving prior authorizations for their health care. This bill seeks to put in place some standards around the prior authorization process to prevent insurance companies from using the process to frustrate or slow-walk consumer requests, and to keep them from denying large numbers of requests as a general business practice.

We feel the requirements are pretty reasonable (e.g., that insurance companies actually act on requests in a reasonable timeframe, conduct reasonable investigations, come to decisions quickly and provide reasons for denial, etc.). AARP policy considers prior authorization to be a "utilization management" tool, and our policy on this topic states:

Certification decisions must be made at least as rapidly as the beneficiary's medical situation requires in order to protect his or her health and permit a meaningful appeal. Denials must be accompanied by clear information on the reasons for denial as well as instructions on how to appeal the denial.

The Department of Consumer and Business Services crafted this proposal with the input from a broad group of stakeholders, and brought together consumers, health insurers, and health care providers to inform the details of the legislation. AARP Oregon believes they have crafted legislation that will help consumers without placing a significant onus on insurers.

AARP Oregon urges you to support SB 249.

AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering Americans 50 and older to choose how they live as they age. With 510,000 members in Oregon, AARP works to strengthen communities and advocate for what matters most to families with a focus on health security, financial stability and personal fulfillment.

