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Health Care Providers and Patients Call for Passage of Health Insurance Reform

Patients and health care providers report delays in care, stress and worse outcomes from health insurer paperwork hassles

Montpelier, VT – Patients and health care providers gathered at the Vermont State House on Wednesday to support H.766, a bill that requires health insurance companies to reduce administrative delays and streamline insurance requirements.

"We have been calling on leaders to simplify the prior authorization process for years," said Rick Dooley, a physician assistant with Thomas Chittenden Health Center "but we've seen little action, despite ongoing harm to patients and providers." Health care providers told stories of patients with bad health outcomes due to delays in prior authorization—the process by which insurance companies require clinicians to ask permission before a patient can receive services— and described the frustration of delays in care or not getting paid for services provided.

"I have thought about leaving my small practice," noted Dr. Julie Lin, who is a dermatologist in a community practice in the St. Albans area. "We want to continue to serve this community, because our practice is the only one in the area, but the administrative burdens that health insurers have placed on us have only gotten worse. For years, it's been like 'death by a thousand paper cuts' but some of the latest insurance company practices are more like cardboard cuts."

Lin is not alone. According to an American Medical Association survey, more than nine in 10 physicians report care delays while waiting for insurers to authorize necessary care, and 80% say prior authorization can lead to treatment abandonment. One-third of physicians report that waiting for prior authorization has led to a serious adverse event, like hospitalization, disability or even, in 9 percent of those surveyed, in death for a patient in their care. Meanwhile, 31% of physicians report that prior authorization criteria are rarely or never evidence-based, with 89% saying prior authorization has a negative impact on patients' clinical outcomes.

Mary Nadon Scott, a Vermont resident living with a rare disease and a NORD Rare Action Network advocate, described how health insurance companies have put up barriers preventing her from obtaining necessary treatment for her health condition.

"I was diagnosed with a rare disease, called Friedreich's Ataxia (FA) in 2002. FA just received its first FDA approved treatment last year. Step therapy reform is important to me because I know my body and my disease better than an insurance company. I've been waiting too long for a treatment," she said.

Under H.766, health insurers must align billing practices called claims edits with those used by Medicare and execute prior authorizations according to Medicaid policy. It also allows patients and providers to ask for exemptions to the "step therapy," a process that allows health insurance companies to require a patient to try one or more less expensive medications before receiving the newer or more expensive one originally prescribed. The bill would also require health insurers to decide prior authorizations within 24 hours for urgent situations and two business days for non-urgent scenarios. The House expressed overwhelming approval for this bill on a 137-0 roll call vote. Patients and providers at the State House gathering urged the Senate to follow suit.

Health insurers claim that passage of the bill will increase premiums, but Dooley disagreed.

"Although health insurers may save money in the short term with these practices, the truth is that patients and providers are already paying more for the cost of delayed care and extra administrative work," he noted. "For example, patients end up paying for expensive ER visits or hospitalization, and providers end up taking time they could be using to see patients to make phone calls to justify their treatment decisions to health insurers," Dooley explained.

Pediatrician Kristen Connolly, MD, elaborated: "Insurance practices and the way they always change their prior authorization practices are leading to a crisis in in caring for kids with asthma right now. We have had to order multiple types of inhalers to supplement for the one type of inhaler patients actually need. We have heard of hacks to make covered inhalers act as HFA inhalers do; we have heard of rationing and increases in ER visits. This is our health system now—here in Vermont. We can do better."

Some have noted that the bill could also retain or attract much needed health care workers.

"Paperwork hassles are the leading cause of dissatisfaction for health care providers. More importantly, I see what it does to patients when they can't get the right level of care in time and need to go to the hospital or are waiting in the hospital for a procedure." stated Ryan Clouser, chief medical officer at University of Vermont Health Network – Central Vermont Medical Center. "This bill doesn't eliminate prior authorizations or other billing issues, but it's a step in the right direction. It's a way to tell our health care workforce, 'we hear your concerns, and we're taking action.'"

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