



July 22, 2022

The Honorable Nancy Pelosi Speaker of the House United States House of Representatives Washington, DC 20515 The Honorable Kevin McCarthy Minority Leader United States House of Representatives Washington, DC 20515

Dear Speaker Pelosi and Leader McCarthy:

On behalf of the Group of Six, representing more than 600,000 physicians, we write to urge you to bring the bipartisan *Improving Seniors' Timely Access to Care Act* (H.R. 3173), championed by Representatives Suzan DelBene (D-WA), Mike Kelly (R-PA), Ami Bera, MD (D-CA), and Larry Bucshon, MD (R-IN), to the House floor for a vote.

Prior authorization requirements delay care for patients and impose significant administrative burdens on physicians. While a reduction in the overall volume of prior authorization is essential to meaningfully reduce this burden, this common-sense legislation would help address these issues by streamlining and standardizing the prior authorization process in the Medicare Advantage (MA) program, while also providing much needed transparency. This legislation would allow physicians to spend more time treating patients and less time on bureaucratic hurdles. Most importantly, it would remove barriers that impede patients' timely access to care.

Respectfully, we believe this legislation is ripe for House passage for several reasons. H.R. 3173 recently surpassed the critical threshold of 290 cosponsors, entitling the bill to be considered on the Consensus Calendar after the next 25 legislative days, in accordance with the 2019 House-established process.¹ Additionally, MA enrollment is rapidly growing and is projected to eclipse Medicare enrollment by 2023. Further, a pivotal study was released in late April 2022 by the U.S. Department of Health and Human Services Office Inspector General (HHS-OIG) which raised concerns about access to necessary care for MA beneficiaries.



American Academy





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¹ <u>The House Consensus Calendar: Establishment, Principal Features, and Practice in the 116th Congress (2019-2020)</u> Updated February 16, 2021

It is also notable that the total MA enrollment has more than doubled since 2011. As of 2021, 42 percent, (26.4 million), of all Medicare beneficiaries were enrolled in a MA plan. The Congressional Budget Office projects that the share of all Medicare beneficiaries enrolled in MA plans will rise to about 51 percent by 2030.² As enrollment in MA continues to grow, MA plans play an increasingly critical role in ensuring that Medicare beneficiaries have access to medically necessary covered services.

The April 2022 HHS-OIG report entitled "Some Medicare Advantage Organization Denials of Prior Authorization Requests Raise Concerns About Beneficiary Access to Medically Necessary Care," excerpted below:

"[Medicare Advantage Organizations or] MAOs sometimes delayed or denied Medicare Advantage beneficiaries' access to services, even though the requests met Medicare coverage rules. MAOs also denied payments to providers for some services that met both Medicare coverage rules and MAO billing rules. Denying requests that meet Medicare coverage rules may prevent or delay beneficiaries from receiving medically necessary care and can burden providers."³

The HHS-OIG report also found:

- Thirteen percent (13%) of prior authorization denials were for service requests that met Medicare coverage rules, likely preventing or delaying medically necessary care for [MA] beneficiaries.
- Eighteen percent (18%) of payment denials were for claims that met Medicare coverage rules and . . . MAO billing rules, which delayed or prevented payments for services that providers had already delivered.
- Imaging services, stays in post-acute facilities, and injections were three prominent service types among the denials that met Medicare coverage rules.
- Although MAOs approve the majority of requests for services and payment, MAOs issue millions of denials each year, and the Centers for Medicare & Medicaid Services' (CMS) annual audits of MAOs have highlighted widespread and persistent problems related to inappropriate denials of services and payment.

CMS concurred with all of the HHS-OIG's recommendations for how it could streamline oversight of MA plans. H.R. 3173 is the next logical step that Congress can take to protect seniors' access to care and provide stability, transparency, and efficiency as MA enrollment continues to grow.

² Kaiser Family Foundation, <u>Medicare Advantage in 2021: Enrollment Update and Key Trends</u>, Updated June 2021.

³ Office of Inspector General Report in Brief, <u>Some Medicare Advantage Organization Denials of Prior Authorization</u> <u>Requests Raise Concerns About Beneficiary Access to Medically Necessary Care</u>, Updated April 2022

This legislation would improve the prior authorization process and provide greater transparency within the MA program by:

- Establishing an electronic prior authorization (ePA) program and requiring MA plans to adopt ePA capabilities;
- Requiring the Secretary of Health and Human Services to establish a list of items and services eligible for real-time decisions under an MA ePA program;
- Standardizing and streamlining the prior authorization process for routinely approved items and services;
- Ensuring prior authorization requests are reviewed by qualified medical personnel;
- Increasing transparency around MA prior authorization requirements and their use by requiring plans to report on the extent of their use of prior authorization, the rate of approvals or denials, and rationale for denials; and
- Protecting beneficiaries from any disruptions in care due to prior authorization requirements as they transition between MA plans.

We hope that you agree that the time is now to protect MA beneficiaries' access to care and for the MA program to be held accountable to its mission, "to manage health care in order to reduce costs while also providing necessary care," and you will bring H.R. 3173 to before the House for a vote. On behalf of MA beneficiaries and all whom our members serve, we thank you for your consideration.

Sincerely, American Academy of Family Physicians American Academy of Pediatrics American College of Physicians American College of Obstetricians and Gynecologists American Osteopathic Association American Psychiatric Association