



February 4, 2020

The Honorable Andrea Salinas
Chair, House Committee on Health Care
State of Oregon
900 Court St. NE
Salem, Oregon 97301

Dear Chairperson Salinas,

On behalf of the nearly 14,000 U.S. members of the American Academy of Dermatology Association (“Academy”), we write in support of House Bill 4102. This legislation would be a critical step to ensure patients have access to their prescription medicines by placing guardrails on two cost containment tools used by health insurance plans, prior authorization and step therapy.

Prior authorization is a cost containment tool used by health insurance plans requiring physicians and other health care providers to obtain advance approval from a health plan before delivering a specific procedure, service, device, supply or medication. Step therapy protocols require patients to try one or more prescription drugs before coverage is provided for a drug selected by the patient’s health care provider. We understand the need to contain health care costs, but we are concerned that prior authorization and step therapy are hurdles to medication and other treatment selection and have the potential to impact patient outcomes and quality of life. Utilization of both is expected to increase due to the development of innovative treatments that may come at a high price tag. Health plans will seek to restrict access to these advanced therapies in order to control costs.

Prior authorization and step therapy place a third party, with no knowledge of the complexity or full history of a patient’s condition, in an inappropriate decision-making role. Such policies are inappropriate not only for specialized, highly nuanced medications and services, but also for more widely prescribed therapies. The choice of therapy should be between a physician and his/her patient where consideration of all factors— efficacy and safety of all treatment options, co-morbidities, and support system—are taken into account and fully discussed and vetted.

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House Bill 4102 would ensure that the prior authorization process does not unduly burden physicians or patients in accessing optimal drug therapy, as undue delays can cause irreparable harm to patients in need of specific treatments. The process in which prior authorization determinations are made should be standardized and the speed of determination should be quantified and minimized. House Bill 4102 would require a health plan to make readily accessible on its website all requirements for requesting coverage of a treatment, drug or device that is subject to utilization review, including the specific documentation required for a request to be considered complete and a list of the specific treatments, drugs or devices that are subject to utilization review. It would also limit prior authorization by requiring advance notice to providers of new or amended requirements not less than sixty days prior to implementing such requirement or restriction and would require prior authorization to be valid for one year for medications used to treat chronic conditions. Additionally, HB 4102 would require insurers to report to the Department of Consumer and Business Services statistics regarding prior authorization approvals and denials.

Regarding step therapy, HB 4102 would ensure that step therapy protocols used by health plans in Oregon will preserve the health care provider's right to make treatment decisions in the best interest of the patient. Physicians know their patients' medical history, which enables them to identify potential contraindications and life-threatening adverse reactions. Retaining physicians' medical judgement in patients' treatment plans is a cost-effective way to prevent health care dollars from being used on emergency room visits or other complications resulting from a patient's inability to obtain the correct treatment.

The Academy appreciates the opportunity to provide written comments on this important public health issue and urges your support for HB 4102. As physicians, our number one priority is the health and welfare of our patients. The passage of this legislation will improve access to prescription medications that are in the best interest of the patient. For further information, please contact Lisa Albany, director, state policy, at lalbany@aad.org (202) 842-3555.

A handwritten signature in black ink that reads "George Hruza". The signature is written in a cursive style with a large, sweeping flourish at the end.

George J. Hruza, MD, MBA
President

American Academy of Dermatology Association

