OREGON PSYCHIATRIC PHYSICIANS ASSOCIATION

Date: May 13, 2025

To: The Honorable Chair Deb Patterson
The Honorable Vice-Chair Cedric Hayden
Members of the Senate Health Care Committee

From: David Holladay, MD
Oregon Psychiatric Physicians Association

RE: Support for HB 3134 Prior Authorization Management

Chair Patterson, Vice Chair Hayden and members of the committee:

The Oregon Psychiatric Physicians Association (OPPA), a district branch of the American Psychiatric Association, was established in 1966. OPPA serves as the organization for Oregon's medical doctors specializing in psychiatry who work together to ensure effective treatment for persons with mental illness, including substance use disorders, and compassion for them and their families. We are here today in support of HB 31334, the prior authorization management bill. This bill will increase public data transparency, ensure reimbursement for medically necessary procedures and update Oregon's statute to align with CMS regulations for electronic prior authorization submissions.

While insurance companies have a legitimate need to control the rising cost of prescription medicines, patients will benefit when transparency and accountability is an integral aspect of the prior authorization process. I strongly encourage provisions that promote transparency and reporting requirements regarding the prior authorization process by insurance companies. I want to stress that physicians are very mindful about rising healthcare costs. Whenever possible, we do our part to keep costs low by prescribing equally effective and less costly generic medications. We only prescribe higher cost brand name medications when there are clear clinical indications, and other "first tier" medications have been considered or unsuccessful. Frankly, the prior authorization process so extremely onerous or cumbersome that most physicians avoid it at all costs.

Current prior authorization procedures are unnecessarily complex, extremely time-consuming for the physician, increase the overall cost of medical care, and most critically, prevent patients from getting the treatment that they need. They are a major barrier to care. Physicians increasingly spend inordinate amounts of time in this labyrinth, contributing to physician burn out. Patients experience delays in treatment. Delays in treatment cause worsening of disease, and poor work productivity. This bill is long overdue.

I would like to share just a few examples to help illustrate the extent of the prior authorization problem.

It is common for insurance companies to annually renegotiate medication pricing with drug companies. In the world of child psychiatry, this means that without warning, an ADHD medicine that a patient had been stable on might suddenly become a second-tier "non-preferred" medication. This then entails at least a 10 to 15 minute prior authorization process to justify the necessity for an existing and efficacious medication.

The prescribing of antipsychotic medication is another area where prior authorization processes are unduly cumbersome. In recent years, there's been an advancement in this category of medicines with the development of "third-generation" antipsychotics. First and second generation antipsychotics have a higher risk of short and long-term neurologic side effects and pre-diabetes risks. That said, this category of medications still might be quite appropriate for some patients, and they are commonly prescribed.

However, when the patient has a pre-existing problem with obesity or diabetes, the third generation antipsychotics are often much better. They have a more favorable side effect profile, generally without weight gain or other adverse effects. Lurasidone is a medication in this category. It is now generic, on the "first-tier" of patient prescription benefit plans and does not require prior authorization. However, when a patient does not respond to Lurasidone, insurance companies will not approve other third generation antipsychotics without evidence of failed second-generation medication trials. For patients with pre-existing diabetes or obesity, the requirement of a trial with second generation medication (and a riskier side effect profile) is an unnecessary waste of time.

Thank you for taking the time to consider this information. OPPA urges you to support this bill.