

House Public Health Committee Testimony by Christine Kean on behalf of: TSAOG Orthopaedics & Spine, the Texas Orthopaedic Association, and the Texas Medical Association House Bill 4343 April 17, 2023

Mr. Chairman and members, thank you for allowing me the opportunity to provide boots on-the-ground testimony in support of House Bill 4343. My name is Christine Kean, I am the chief operating officer of TSAOG Orthopaedics & Spine located in San Antonio. I am testifying on behalf of myself and our medical practice, the Texas Orthopaedic Association, and the Texas Medical Association.

I have worked for this group of 39 physicians for 22 years and have witnessed the direct impact the increasingly demanding prior authorization process has made on physicians, staff and most importantly, patients.

Intuitively, I knew the overwhelming majority of our requests for preauthorization are approved. But in 2021 I asked our data scientist, Dr. Mike Proffitt, to run our data to give me the actual percentage of our approvals. After running our 2020 data on 30,000 requests for authorization, he found over 99% of the time the requests were ultimately approved, but not without countless hours of effort, administrative cost, and delay in care. It made no sense to me why we were all participating in this elaborate administrative process to request permission if almost 100% of the time we were approved to proceed with the patient's care.

Last session the Texas Legislature passed House Bill 3459, more commonly known as the "gold card prior auth bill," sponsored by Rep. Greg Bonnen, MD. The bill attempted to address this burdensome process by reviewing the result of physician requests and "gold carding" physicians who health plans approved 90% of the time for particular health care services. If the physician met this standard, then they could bypass this process and simply proceed with

scheduling the patient for the ordered service. I will never forget how elated and relieved I was when I heard the news that HB 3459 became law nearly two years ago.

Next to tort reform, HB 3459 is one of the most impactful and positive influences for directly affecting patient care that I have witnessed in my career. It has made a significant impact in bending the curve and shedding light on prior authorization processes with insurance carriers. What we have done here in Texas has led the way for states across the country and federally to introduce similar bills. The law has even pushed insurance carriers to critically review and proactively remove some of these hurdles to patients accessing care.

While we should be very proud of what we have accomplished to date, we are not done. The implementation of HB 3459 was complicated and the rule-making process to implement the intent of the bill has not produced the results expected.

Texas Department of Insurance (TDI) reports only 3% of physicians and providers were positively impacted by the bill. The primary reason for this is due to physicians and providers not meeting the threshold for review. HB 4343 addresses this by removing the threshold and allowing for review of all services ordered.

HB 4343 also allows a physician to request a review of a gold card denial and adds additional oversight from TDI requiring insurers to report to the department gold card results.

HB 4343 also clarifies that doctors who have an administrative license are unable to conduct a utilization review.

Blazing a trail is a difficult process; it is filled with unknown situations that need immediate attention and proper tools to succeed. HB 3459 was a trailblazing event for Texas, but without the corrective actions contained in HB 4343 that we are discussing today, I'm afraid the path on our trail will end without accomplishing its objective. We simply cannot allow this to occur.

Thank you for your support of this important bill. I'm happy to address any questions you may have at this time.