

June 29, 2022

The Honorable Michael Burgess, MD
United States House of Representatives
2161 Rayburn House Office Building
Washington, DC 20515

The Honorable Vicente Gonzalez
United States House of Representatives
113 Cannon House Office Building
Washington, DC 20515

Dear Representatives Burgess and Gonzalez:

On behalf of the physician and medical student members of the American Medical Association (AMA), I am writing to express our support for H.R. 7995, the “Getting Over Lengthy Delays in Care as Required by Doctors (GOLD CARD) Act of 2022.” This legislation would amend the Social Security Act to exempt qualifying physicians from prior authorization requirements imposed by Medicare Advantage plans.

Prior authorization, the practice of insurance companies reviewing and potentially denying coverage of medical services and pharmaceuticals prior to treatment, remains a principal frustration for physicians and jeopardizes patient care. The AMA believes that prior authorization is overused, costly, inefficient, opaque, and responsible for patient care delays.

According to the AMA’s 2020 Prior Authorization physician survey, more than nine in 10 physicians (94 percent) reported care delays while waiting for health insurers to authorize medically necessary care; nearly four in five physicians (79 percent) said patients abandon treatment due to authorization struggles with health insurers; and 85 percent of physicians describe the burden associated with prior authorization as high or extremely high.¹ AMA data continued to illustrate the negative impact of prior authorization on patients and physicians,² with 34 percent of respondents to a 2021 AMA survey reporting that prior authorization led to a serious adverse event—such as hospitalization, disability, permanent bodily damage, or death—for a patient in their care, a four percent increase from 2020.³ Additionally, the 2021 survey found that 93 percent of physicians reported care delays associated with prior authorization and 82 percent said these requirements, at least sometimes, lead to patients abandoning treatments.⁴

Research from the federal government further demonstrates that prior authorization leads to delays in patient care and inappropriate denials of medically necessary services. A 2018 report from the Department of Health and Human Services (HHS) Office of Inspector General (OIG) concluded that, between 2014 and 2016, Medicare Advantage (MA) plans overturned 75 percent of their own prior authorization and payment denials when appealed by providers and beneficiaries.⁵ Furthermore, an April 2022 HHS OIG report found that 13 percent of prior authorization requests denied by MA plans met

¹ <https://www.ama-assn.org/system/files/2021-04/prior-authorization-survey.pdf>.

² <https://www.ama-assn.org/system/files/prior-authorization-survey.pdf>.

³ Id.

⁴ Id.

⁵ <https://oig.hhs.gov/oei/reports/oei-09-16-00410.pdf>.

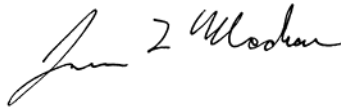
The Honorable Michael Burgess, MD
The Honorable Vicente Gonzalez
June 29, 2022
Page 2

Medicare coverage rules and 18 percent of payment request denials met Medicare and MA billing rules.⁶ Patients deserve prior authorization reforms that will protect them from these harms.

The GOLD CARD Act of 2022 would exempt physicians from MA plan precertification requirements so long as 90 percent of the physicians' prior authorization requests were approved in the preceding twelve months. The gold cards issued by MA plans would be applicable only to items and services (excluding drugs) and remain in effect for at least one year. The GOLD CARD Act would also establish numerous processes to ensure that MA plans do not inappropriately revoke this exception to prior authorization practices. The AMA believes this legislation would help decrease the burden associated with the current overuse of prior authorization in our health care system.

The AMA is dedicated to simplifying and streamlining prior authorization so that physicians can properly administer care, thus ensuring that patients can receive the timely treatment they deserve.^{7,8} We greatly appreciate your leadership on this important issue and look forward to building off the strong bipartisan support for the GOLD CARD Act of 2022 to advance this legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "James L. Madara". The signature is fluid and cursive, with the first name "James" being the most prominent.

James L. Madara, MD

⁶ <https://oig.hhs.gov/oei/reports/OEI-09-18-00260.pdf>.

⁷ <https://www.ama-assn.org/amaone/prior-authorization>.

⁸ <https://fixpriorauth.org/>.