

June 28, 2016

The Honorable Patricia M. Blevins
President Pro Tempore
The Honorable F. Gary Simpson
Minority Leader
Delaware Senate
411 Legislative Avenue
Dover, DE 19901

Re: AMA Support for H.B. 381

Dear President Pro Tempore Blevins and Minority Leader Simpson:

On behalf of the American Medical Association (AMA) and our physician and student members, I write to state our strong support for House Bill (H.B.) 381, legislation to improve the transparency and efficiency of the pre-authorization process.

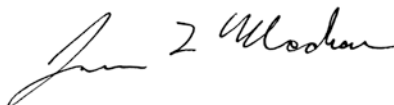
The current frustrating and murky pre-authorization process can cause treatment delays and negative patient health outcomes. The process is also plagued with administrative waste, as a 2009 Health Affairs study found that physician practices spend between \$23.2 and \$31 billion per year, and nearly 20 hours per week, on administrative issues such as prior authorizations.

Thankfully, H.B. 381 would address such concerns by improving the transparency of pre-authorizations and shortening the times that patients have to wait for decisions. Additionally, the legislation would place Delaware among the many states to offer health care providers an automated process to complete pre-authorizations. This automated process, in use by many stakeholders today, streamlines the way in which pre-authorizations are completed and allows seamless communication between insurers, physicians, pharmacies and other providers.

Because of the many positive changes this legislation would bring to the problematic pre-authorization process, the AMA respectfully urges Senate approval.

If you have any questions or need additional information, please contact Emily Carroll, Senior Legislative Attorney, at emily.carroll@ama-assn.org or 312-464-4967. Thank you for your consideration.

Sincerely



James L. Madara, MD

cc: Paul Baumbach
Margaret Rose Henry
Stephen R. Permut, MD, JD
Medical Society of Delaware