

Chairman Warrey and members of the House Industry, Business, and Labor Committee, I am Senator Scott Meyer, representing District 18 in Grand Forks. I am honored to stand before you today to introduce engrossed Senate Bill 2280—a critical piece of legislation aimed at reforming the prior authorization process in North Dakota’s health care system making it better for all patients.

For those unaware, prior authorization is the process where a patient needs a service or prescription and, due to constraints on the insurance policies, requires the patient – through their physician, pharmacist, or dentist – to get approval from the insurance company that it will be covered. This process requires significant time from providers and ultimately results in delayed care that is often critically needed in a timely manner. Moreover, this bill covers many of the reforms already in effect in republican and democrat states across this country, including Oklahoma, Louisiana, Wyoming, Kentucky, and Mississippi, to protect North Dakotans.

Many of you, your families, and your constituents have likely experienced the frustrations this bill seeks to address; delays in care when insurance companies’ and PBM’s bureaucratic administration interferes with patient care. What began as a tool to ensure the necessity of costly treatments has evolved into a bureaucratic nightmare, creating unnecessary roadblocks to timely medical care, and placing the decision of treatment in the hands of insurance companies rather than the patients and their providers. This bill is the product of over 18 months of rigorous study, collaboration, and compromise. Following a proposal last session, the interim Healthcare Committee engaged stakeholders—patients, providers, and insurers alike— identifying issues and solutions to the challenges in the current prior authorization process. This bill is the result of that work. This bill has brought consensus around this issue backed by 20 organizations representing over 100,000 North Dakotans. The coalition is comprised of the following reputable organizations:

- American Cancer Society - Cancer Action Network
- North Dakota Medical Association
- North Dakota Hospital Association
- CHI St. Alexius
- North Dakota Chiropractic Association
- Essentia Health
- Community Healthcare Association of the Dakotas
- Altru Health
- Susan G Komen

- Trinity Health
- AARP of North Dakota
- North Dakota Rural Health Association
- The Bone and Joint Center
- North Dakota Chapter of the American Physical Therapy Association
- North Dakota Dental Association
- North Dakota Association of Community Providers
- North Dakota Pharmacists Association
- The ARC of North Dakota
- The North Dakota chapter of the American Academy of Pediatrics

The common message from all these organizations is they want patients to receive decisions about their care in a timely fashion.

I knew that there were many legislators who were not on the interim committee who are passionate about this issue, that is why we brought forward this standalone bill. The only opposition to this legislation comes from the same organizations that consistently oppose patient-focused reforms: Insurance and their partners in the PBMs. Where you land on this bill ultimately comes down to whether you think insurance companies and their partners at the PMBs, or our local North Dakota providers have patients' timely care in mind.

That is why, following my testimony, you will hear from your constituents, the organizations and patients who are affected by this process every day. To date, at no point throughout this process and at no point today will you hear from a single patient who stands with the big insurance companies and their PBM's against this legislation.

Let me outline how SB 2280 proves patient outcomes. It brings by requiring insurers to publicly disclose their prior authorization policies. It establishes clear timelines—72 hours for urgent cases and 7 days for non-urgent ones—so patients aren't left waiting in limbo. If insurers fail to respond within these timeframes, the request is auto-authorized, ensuring accountability and that the patients get clarity and timely care. The bill also ensures that medical decisions are made by licensed medical professionals—not business analysts, algorithms, or AI—keeping care decisions in qualified hands. And once a service is approved, it cannot be arbitrarily revoked, offering certainty to patients and providers.

Chairman Warrey, this legislation reflects nearly 20 major concessions which were made on the Senate side to address concerns from insurers. We've aligned timelines with federal Medicaid and Medicare standards, worked with opponents of the legislation to create an

effective and workable standard for reviewers, and delayed the effective date to January 1, 2026, giving the industry ample time to prepare.

Additionally, this legislation includes a Legislative Management study, to explore in the future, prior authorization's impact on the North Dakota Public Employees Retirement System (PERS). This optional study ensures the same deliberate care applied to market insurance reforms can be extended to PERS, rather than applying a one size fits all approach.

Let me be clear: SB 2280 does not force insurers to approve claims. It simply requires a timely response—yes or no—so patients and providers can move forward. This bill is a comprehensive reform that places common-sense guardrails around prior authorization, ensuring it serves its original purpose without compromising patient care.

The support for this legislation is overwhelming. As I mentioned a coalition of 20 organizations—representing over 100,000 North Dakotans, including pharmacists, physicians, hospitals, and advocates for seniors, children, and those with chronic conditions—stand behind SB 2280. You'll hear from many of them today, sharing stories of delayed treatments and the real human cost of the current system. Their voices have shaped the bill you have before you.

The reality is that citizens throughout the nation and your constituents here in North Dakota are beyond frustrated and are reaching a fever pitch of outrage over the continuing practices of big insurance and PBMs. Unfortunately, we've seen some high profile situations where people took insurance issues into their own hands. However, the way we are supposed to resolve these issues is in committee rooms just like this one we are in today. As duly elected policy makers for this state the law is in our hands. It is time for us to exercise this responsibility.

Chairman Warrey and committee members, this is a balanced, collaborative approach to a problem that affects thousands of North Dakotans every year. The Senate Industry and Business Committee unanimously endorsed it, and the Senate passed it 43 - 4. Now it is your turn to act. I respectfully urge you to join with myself and fellow cosponsors Chairman Warrey, Chairman Nelson, Chairman Barta, Chairman Bekkedahl, and Senator Cleary and give SB 2280 a swift "Do Pass" recommendation. We've studied this issue long enough—patients shouldn't have to face costly delays in receiving prior authorization from big insurance and their PBM collaborators to get the care they deserve.

Thank you for your time and attention. I'm happy to answer any questions.

Scott Meyer

scottmeyer@ndlegis.gov

218.791.7655