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Chief Executive Officer Clifford A. Hudis, MD, FACP, FASCO February 4, 2025

Senator Jeff Barta, Chair Senate Committee on Industry and Business Fort Union Room, State Capitol 600 East Boulevard Avenue Bismarck, ND 58505

Dear Chair Barta and Members of the Senate Committee on Industry and Business,

The Association for Clinical Oncology (ASCO) is pleased to support **SB 2280**, which establishes guardrails around prior authorization processes in the state.

ASCO is the world's leading professional society representing physicians who care for people with cancer. With over 50,000 members, our core mission is to ensure that cancer patients have meaningful access to high quality cancer care.

Prior authorization requires patients or their providers to secure pre-approval as a condition of payment or insurance coverage of services. In a recent ASCO survey, 80% of respondents said that a patient has experienced significant impacts on their health, such as disease progress, because of prior authorization processes. The most common harms to patients include delays in treatment (95%) and diagnostic imaging (94%), patients being forced onto second-choice therapy (93%) or denied therapy (87%) and increased out-of-pocket costs (88%). These survey results confirm that prior authorization results in unnecessary delays or denials of cancer care.

ASCO is committed to supporting policies that reduce cost while preserving quality of cancer care; however, it is critical that such policies be developed and implemented in a way that does not undermine patient access. Payer utilization management approaches like prior authorization are of particular concern because they represent greater likelihood of raising barriers to appropriate care for individuals with cancer.

ASCO is pleased that SB 2280:

- Ensures timely access to care by requiring insurers to respond to a prior authorization request within two working days for nonurgent circumstances and within 24 hours if the request is urgent;
- Improves the review process by requiring a physician who makes an
  adverse decision to notify the patient's physician before making an adverse
  decision and be available to discuss the basis for denial prior to a peer-topeer conversation;



- Accommodates the needs of specialized patient populations by ensuring all adverse determination appeals are reviewed by a physician within the same relevant specialty as the prescribing physician;
- Promotes continuity of care by stipulating that prior authorization for a
  healthcare service for the treatment of chronic and long-term conditions,
  such as cancer, must remain valid for 12 months; and
- **Improves transparency** by implementing prior authorization statistic reporting.

ASCO is encouraged by the steps SB 2280 takes toward improving prior authorization in North Dakota, and we welcome the opportunity to be a resource for you. For a more detailed understanding of our policy recommendations on this issue, we invite you to read the <u>ASCO Position Statement: Prior Authorization</u>. Please contact Sarah Lanford at ASCO at <u>Sarah.Lanford@asco.org</u> if you have any questions or if we can be of assistance.

Sincerely,

Eric P. Winer, MD, FASCO

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Association for Clinical Oncology