



2025 Senate Bill No. 2280

Prior Authorization Legislation

Chairman Barta and Members of the Committee:

The Physician Owners of Bismarck Surgical Associates, LLC Same Day Surgery Center ask for your consideration and support of Prior Authorization Senate Bill 2280.

The purpose of Prior Authorizations, while initially making sense, has gone far beyond their initial intent and has become a tool for Insurance Companies and Third-Party Payers to deny care that many of North Dakota's Citizens need from a medically necessary standpoint. A more appropriate take on this is Payers deny payment for services that are already performed, meaning the Patient received the care that was needed, and the Providers don't get paid for those services because the Insurance Company has policies in place requiring prior authorization that allow them to deny payment.

The challenge with this, as is so often with surgery, is the Surgeon may find something during the surgery that needs to be fixed that wasn't prior authorized. They will fix it because that is the right thing to do versus performing only what was Authorized and having the patient come back to have the other issue fixed at a later date requiring additional recovery etc. just to meet the Insurance Companies requirements.

This Senate Bill forces the Insurance Companies to follow certain guidelines that will hopefully improve the prior authorization process and outline the process for appeal. Often the person behind the scenes who processed the denial in the first place is the same one who reviews an appeal and 9 times out of 10 will uphold their initial decision. Requiring someone new to review the appeal is a step in the right direction. Providers need regulations such as this to help stand up against the 800 Pound Gorilla that is the Insurance Industry.

Thank you for your time and consideration.

Respectfully,

Chad Carlson
President