

Wednesday, January 20, 2021

Senate Human Services Committee <u>SB 2179</u>
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SENATOR LEE AND COMMITTEE MEMBERS:

My name is Jack McDonald. I'm appearing on behalf of America's Health Insurance Plans or, as it is commonly known, AHIP. For the reasons outlined below, AHIP opposes this bill as currently drafted.

Health insurers have long supported policy changes to encourage telehealth use and speed its adoption. In response to the COVID-19 public health emergency, our members have taken voluntary, proactive steps to increase access to health care services, including the use of telemedicine. These proactive steps have facilitated an explosion in telehealth use that provided patients and providers the ability to connect despite social distancing.

However, we are concerned about two provisions: 1) mandating payment parity for telehealth services and in-person services, and 2) removing prior authorization for telemedicine services.

Mandating parity in reimbursement for medical services provided via telehealth with identical services provided in-person jeopardizes the cost-saving potential that telehealth promises. This parity requirement essentially requires employers, individuals, and taxpayers to subsidize providers for bricks and mortar infrastructure as part of virtual visits.

Prior authorization is an essential utilization management tool that ensures a patient-centered approach to care delivery. Prior authorization is based on evidence-based medical criteria developed by nationally recognized entities. These criteria are supported by widely accepted, scientific evidence and protect patients from the overuse, misuse, or unnecessary (or even potentially harmful) care and ensuring consistency with evidence-

based practices. As we work to expand access to necessary medical care through the increased use telehealth, consideration must be given to ensure that these treatments are clinically and medically appropriate.

Because these provisions imperil patient safety, the effectiveness of treatments, and eliminate cost savings that could be realized, we respectfully request that the following amendments be made to SB 2179.

Thank you for your time and consideration. I'd be happy to answer any questions.

#### PROPOSED AMENDMENTS TO SB 2179

Page 3, line 2, delete "any coinsurance or copayment applicable to covered"

Page 3, delete lines 3 and 4

Page 3, line 5, delete "in-person means"

Page 3, delete lines 22 through 24

Renumber accordingly