

**STATE HEALTH PLANNING  
AND DEVELOPMENT AGENCY**  
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

**JOSH GREEN, M.D.**  
GOVERNOR OF HAWAII  
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

**KENNETH S. FINK, MD, MGA, MPH**  
DIRECTOR OF HEALTH  
KA LUNA HO'ŌKELE

**JOHN C. (JACK) LEWIN, M.D.**  
ADMINISTRATOR

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1177 Alakea St., #402, Honolulu, HI 96813 Phone: 587-0788 Fax: 587-0783 [www.shpda.org](http://www.shpda.org)

March 10, 2025

To: House Committee on Health  
Representative Gregg Takayama, Chair  
Representative Sue Keohokapu-Lee Loy, Vice Chair; and  
Honorable Members

From: John C (Jack) Lewin MD, Administrator, SHPDA; and Senior Advisor to  
Governor Green MD on Healthcare Innovation

Re: SB 1509 SD1 -- Relating to Prescription Drugs

Position: SUPPORT

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Testimony:

Mahalo for the opportunity to testify.

-- Jack Lewin MD, Administrator, SHPDA

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March 12, 2025

**To: Chair Takayama, Vice Chair Keohokapu-Lee Loy, and Members of the House Committee on Health**

From: Hawaii Association of Health Plans Public Policy Committee

Date/Location: March 12, 2025; 9:00 am/Conference Room 329 & Videoconference

**Re: Testimony with comments on SB1449 SD1 – Relating to Prior Authorization of Health Care Services**

The Hawaii Association of Health Plans (HAHP) appreciates the opportunity to offer comments on SB 1449 SD1. HAHP is a statewide partnership that unifies Hawaii's health plans to improve the health of Hawaii's communities together. A majority of Hawaii residents receive their health coverage through a plan associated with one of our organizations.

HAHP appreciates the efforts of lawmakers to address prior authorization improvements and want to emphasize that we believe prior authorization continues to be a critical process that is constantly evolving and is critical to ensuring quality patient care. We recognize the importance of addressing concerns of providers and are committed to continuing to work with stakeholders to improve the issue. HAHP believes this is a nuanced and complicated issue.

We would like to ensure that the reporting noted in this bill aligns with current CMS regulations set to be implemented in 2026 and note that we would be willing to participate in further conversations with lawmakers and stakeholders.

Thank you for the opportunity to testify on SB1449 SD1.

Sincerely,

HAHP Public Policy Committee

cc: HAHP Board Members



## Hawaii Medical Association

1360 South Beretania Street, Suite 200 • Honolulu, Hawaii 96814  
Phone: 808.536.7702 • Fax: 808.528.2376 • hawaiimedicalassociation.org

HOUSE COMMITTEE ON HEALTH  
Representative Gregg Takayama, Chair  
Representative Sue Keohokapu-Lee Loy, Vice Chair

Date: March 12, 2025  
From: Hawaii Medical Association (HMA)  
Jerald Garcia MD - Chair, HMA Public Policy Committee

**Re: SB 1449 SD1 RELATING TO PRIOR AUTHORIZATION OF HEALTH CARE SERVICES - SHPDA; Prior Authorization; Utilization Review Entity; Reporting**

**Position: Support with comments**

This measure would require utilization review entities in the State to submit to the State Health Planning and Development Agency data relating to prior authorization of health care services.

Time-consuming Prior Authorization (PA) processes delay patient care. Healthcare providers struggle to overcome PA barriers that impede the evaluation, diagnosis and treatment of their patients and divert valuable time and resources from direct patient care. This leads to lower rates of patient adherence to treatment, as well as harmful negative clinical outcomes.

The disclosure and reporting of the relevant payor utilization data of PA is imperative for meaningful analyses of challenges. Not only will this data help inform patient consumers and employers as they make health plan choices, but also update health systems and provider practices in order to improve administrative efficiencies of service delivery. **HMA strongly supports the reporting provisions of this measure.**

Given the complexities of PA, purposeful modifications will require collaboration of advocates and stakeholders. **HMA also strongly supports the establishment of a Health Care Appropriateness and Necessity Working Group (as proposed and detailed in HB 250 HD2).** The group work to eliminate PA barriers may include recommendations for 1) specific consensus of clinical guidelines and evidence based appropriate use criteria that reduce time delays and volumes of PA for common medical diagnostic tests and treatments, 2) transparency on PA determinations including detailed denials, and 3) high quality review of care delivery that allows for automation and mitigates disruption of patient care for common chronic or long term conditions in the appropriate clinical setting.

HMA strongly supports Prior Authorization reform policies and continued oversight that may reduce patient and provider burdens, improve patient access and facilitate the timely delivery of high quality and safe medical care.

### 2025 Hawaii Medical Association Officers

Elizabeth Ann Ignacio, MD, President • Nadine Tenn-Salle, MD, President Elect • Angela Pratt, MD, Immediate Past President  
Jerris Hedges, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

### 2025 Hawaii Medical Association Public Policy Coordination Team

Jerald Garcia, MD, Chair  
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

Thank you for allowing the Hawaii Medical Association to testify in support of this measure with amendments.

## REFERENCES AND QUICK LINKS

Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services (HHS). CMS Interoperability and Prior Authorization Final Rule (CMS-0057-[Fhttps://www.cms.gov/files/document/cms-0057-f.pdf](https://www.cms.gov/files/document/cms-0057-f.pdf) Accessed Jan 28 2025.

American Medical Association. Issue Brief: Federal Changes to Prior Authorization Rules and their Impact on State Legislative Efforts. [https://cdn.ymaws.com/hawaiimedicalassociation.org/resource/resmgr/advocacy/prior\\_auth\\_issue\\_brief\\_on\\_fe.pdf](https://cdn.ymaws.com/hawaiimedicalassociation.org/resource/resmgr/advocacy/prior_auth_issue_brief_on_fe.pdf) Accessed Jan 28 2025.

Pestaina K et al. Final Prior Authorization Rules Look to Streamline the Process, but Issues Remain. [KFF.org May 2 2024](https://www.kff.org/health-equity/policy-watch/2024/05/2024-05-20-final-prior-authorization-rules-look-to-streamline-the-process-but-issues-remain/). Accessed Feb 4 2025.

American Medical Association. 2023 AMA Prior Authorization (PA) Physician Survey. <https://www.ama-assn.org/system/files/prior-authorization-survey.pdf> Accessed Jan 28 2025.

American Association of Family Physicians (AAFP). Prior Authorization. <https://www.aafp.org/family-physician/practice-and-career/administrative-simplification/prior-authorization.html> Accessed Jan 28 2025.

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March 12, 2025

The Honorable Gregg Takayama, Chair  
The Honorable Sue L. Keohokapu-Loy, Vice Chair  
House Committee on Health

Re: SB 1449 SD1 - RELATING TO PRIOR AUTHORIZATION OF HEALTH CARE SERVICES

Dear Chair Takayama, Vice Chair Keohokapu-Loy, and Members of the Committee:

HMSA would like to offer comments on SB 1449 SD1, which requires any utilization review entity in the State to submit to the State Health Planning and Development Agency data relating to prior authorization of health care services.

### **Acknowledgement and Collaboration**

We thank the legislature for recognizing the importance of prior authorization (PA). It is one of many important components that help to maintain the high quality of health care delivered in Hawaii while ensuring the long-term sustainability of our state's healthcare system. HMSA has been actively collaborating with all stakeholders, including the State Health Planning and Development Agency, the Hawaii Medical Association, and the Hawaii Department of Health, to draft amendments to the current legislation and strike a compromise position. We all agree that our shared goal is to identify areas of improvement and lessen the administrative burden on providers. We are supportive of HMA's amendments that look to enhance the scope and deliverables from the proposed working group.

### **HMSA Prior Authorization**

HMSA currently meets, and typically exceeds, Centers for Medicare & Medicaid Services and National Committee for Quality Assurance timeliness requirements for PA. We do not require PA for emergency care or care that members receive when hospitalized. Of our 17 million claims processed last year, only 204,000 (1%) required PA. Of these 81,600 (40%) did not require submission. 163,200 (80%) of the PA submissions we receive are via fax machine despite the availability of an online option increasing errors and requiring additional time for review and communication. Large numbers of claims are also incomplete or have incorrect documentation and require multiple back and forth communications forcing longer timeframes for decisions.

We want to thank Hawaii Medical Association (HMA) for its leadership and partnership as we continue to work with our provider partners to make progress in these areas. HMSA is committed to forward progress, and we have already participated in and convened conversations around solutions to administrative burden, eliminated PA requirements for certain procedures, expanded our Fast Pass Program for qualifying providers, and are moving towards a fully



integrated and digitized PA process to further improve accuracy, efficiency, and turnaround time and minimize errors and administrative burden.

We would like to express our gratitude for the diligent work and thoughtful consideration that went into the working group structure found in HB250 HD2 working group structure. With the addition of the proposed working group, we feel that this would bring stakeholders together in a meaningful way to address the concerns of administrative burden in healthcare.

Thank you for the opportunity to testify on this very important measure.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dawn Kurisu', with a stylized, flowing script.

Dawn Kurisu  
Assistant Vice President  
Community and Government Relations



March 11, 2025

Representative Gregg Takayama, Chair  
House Committee on Health  
Room 404, Hawaii State Capitol  
415 South Beretania St.  
Honolulu, HI 96813

Dear Chair Takayama and Members of the House Committee on Health,

The Hawaii Society of Clinical Oncology (HSCO) and the Association for Clinical Oncology (ASCO) are pleased to support SB 1449, which would increase transparency regarding prior authorization.

HSCO is a community of oncologists, nurse practitioners, physician assistants, and other allied health professionals who provide a passionate voice for multidisciplinary cancer care teams and the patients they serve. ASCO is an organization representing physicians who care for people with cancer. With more than 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 responses confirm that prior authorization results in unnecessary delays or denials of cancer care.

HSCO and ASCO are 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.

We appreciate that SB 1449 improves transparency by implementing prior authorization statistic reporting requirements. Data are critical to evaluating the effectiveness, impact, and costs of prior authorization on both patients and clinicians. Though barriers imposed by prior authorization will not be resolved solely by increasing transparency, having access to relevant data can serve as a first step to improving timely access to care.

For a more detailed understanding of our policy recommendations on this issue, we invite you to read the attached ASCO Position Statement: Prior Authorization. If you have any questions about prior authorization, please do not hesitate to contact Sarah Lanford at [Sarah.Lanford@asco.org](mailto:Sarah.Lanford@asco.org).

Sincerely,

Michael Carney, MD  
President  
Hawaii Society of Clinical Oncology

Eric P. Winer, MD, FASCO  
Chair of the Board  
Association for Clinical Oncology

**SB-1449-SD-1**

Submitted on: 3/8/2025 9:53:33 PM

Testimony for HLT on 3/12/2025 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ronald Taniguchi, Pharm.D., MBA	Individual	Support	Written Testimony Only

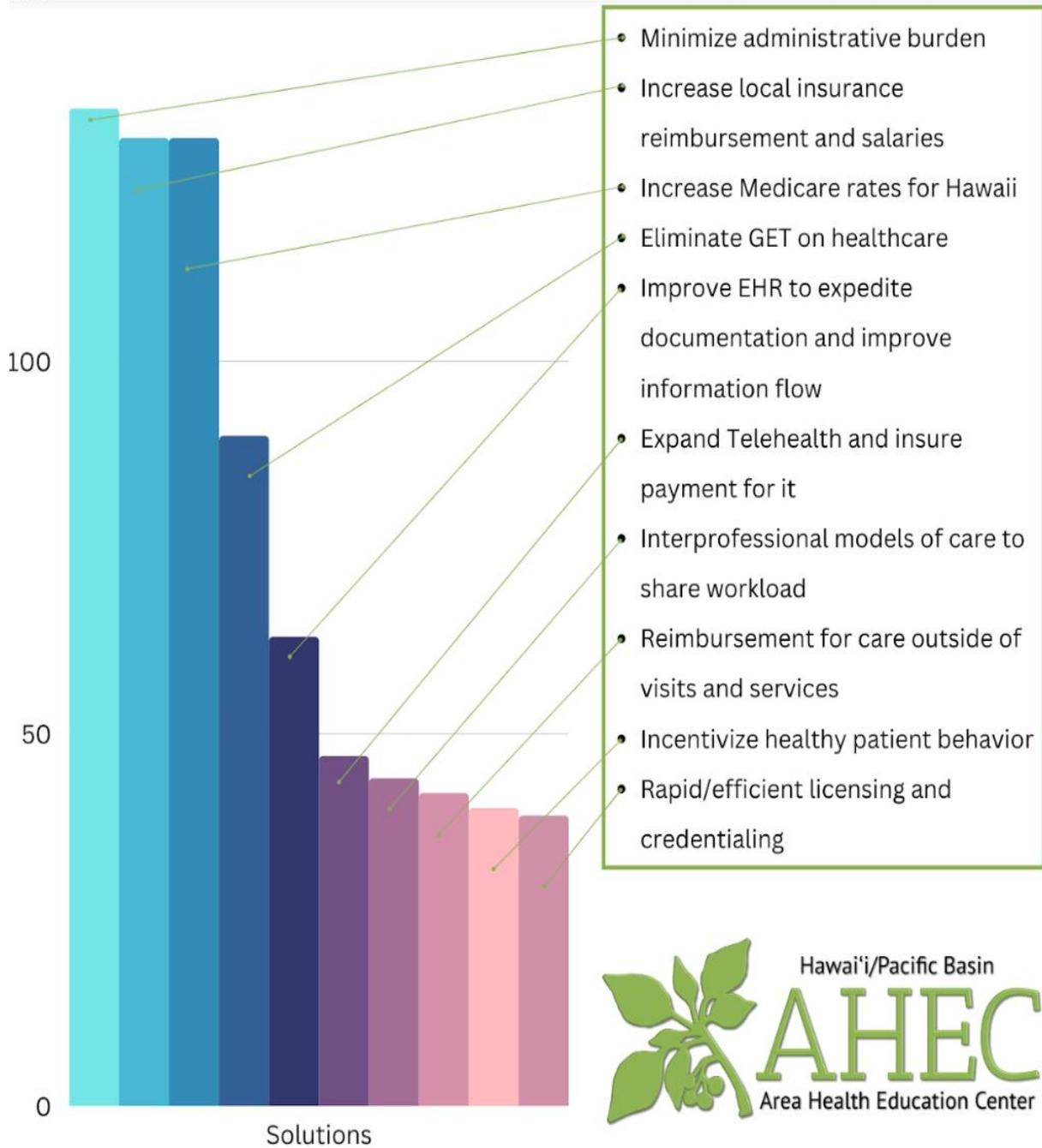
Comments:

I support SB1449 SD1. Mahalo!

Please SUPPORT SB1449!!

Prior Authorization is the TOP action that local healthcare workers report should be addressed to recruit and retain Hawaii's health workforce. A workforce with severe shortages!!

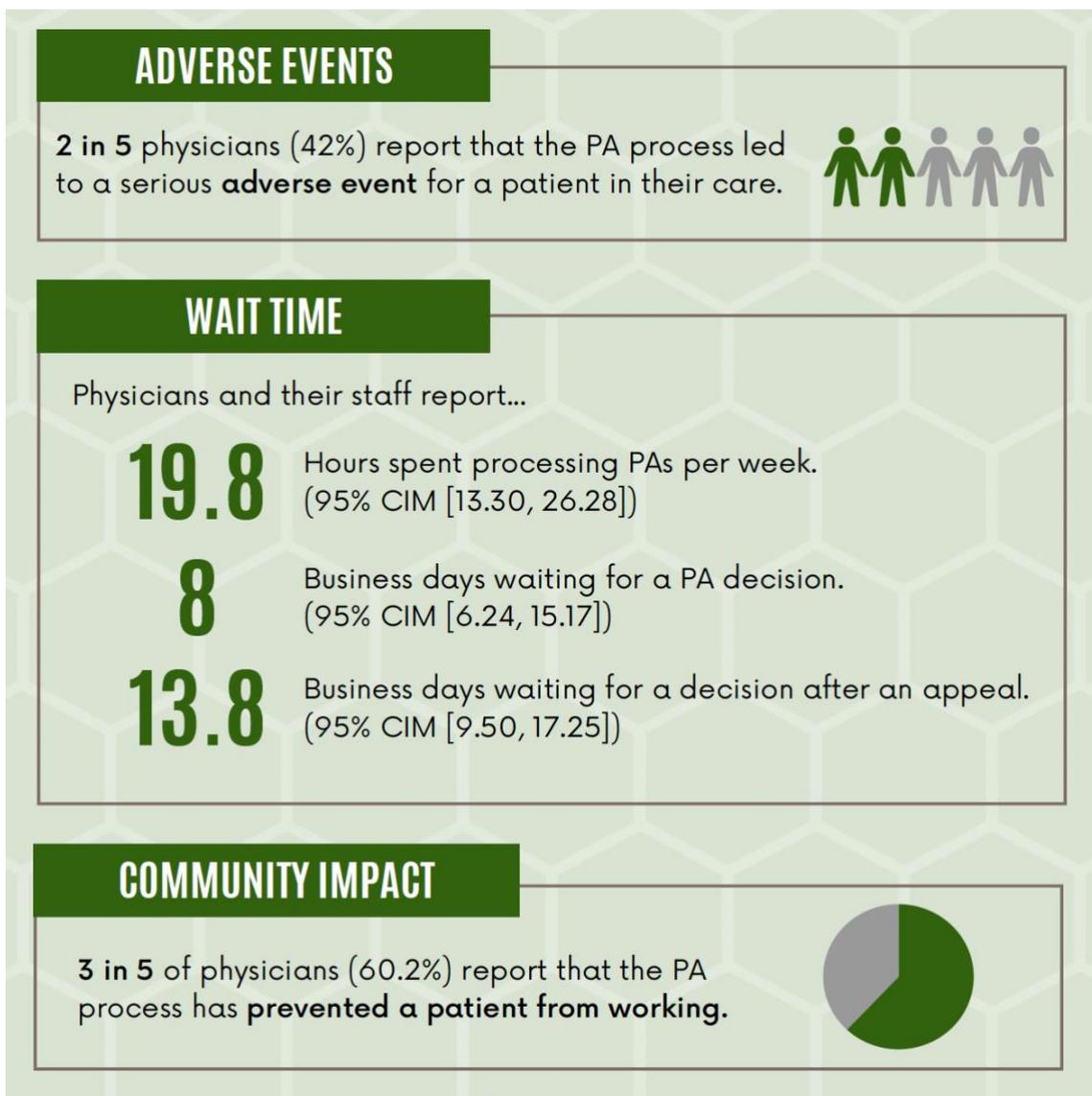
Over 400 participants from the Hawaii Health Workforce Summit voted on what needs to be done to recruit and retain healthcare worker:



Following that, 112 physicians voted on what is most important for simplifying ADMINISTRATIVE BURDEN and the most common responses were:

- **Prior Authorization**
- *Training or personnel hires*
- *EMR*
- *Billing*
- *Credentialing/licensure*
- *Quality Metrics*
- *Pharmacy*
- *Telehealth*
- *Travel (patients or providers)*

More recently, physicians answered an ongoing UH survey about prior authorization. The results indicate the urgent need to improve both the patient and the provider healthcare experience:



Thank you so much for considering this bill! As a physician, I can tell you that prior authorization reform is the most important thing to do right now to recruit and retain our physician workforce. I believe we should follow Medicare's rules about timeliness, and standardize our best practices. Therefore the transparency of number and types of claims and denials is essential for all prior authorizations including pharmacy, and the formation of a collaborative broad based group to review these and come up with a plan is the best course of action.

As a patient with chronic pain, I can tell you that one insurance denied my specialist physician's repeated PA requests for a medication. When I changed insurance type, the medication was quickly approved on the first request and I am now 98% pain free.

Prior authorization needs transparency and oversight for both patient and provider relief!

Thank you for hearing the bill, Kelley Withy, MD, PhD

**SB-1449-SD-1**

Submitted on: 3/11/2025 10:31:50 PM

Testimony for HLT on 3/12/2025 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Austin Salcedo	Individual	Oppose	In Person

Comments:

Strongly Oppose SB1449 with Amendments.

Strongly encourage Chair Health Committee Rep Gregg Takayama, to insert additional paragraph and incorporate language to read: Mandatory provisions for all medical treatment operations in the Hawai'i State. Application and Data made equally to State Health Planning and Development Agency (SHPDA) and Honolulu City Department Planning & Permitting to include mandatory "Conditional Use Permit, (Major) and SHPDA Permits "Certificate Of Need (CON)".

SHPDA authorize and issue's approved "CON" to Special Threatment Operation, which is considered Public Safety Concern's, that are to near proximity to Children Schools, and Demographically where Children commute too and from Children Schools. To include Special Threatment Operations in near proximity to Commercials Business's Sale's of Alcohol Beverage's to anyone above 21 years of age. That would adversely affect individuals undergoing Rehabilitation Care.

**SB-1449-SD-1**

Submitted on: 3/12/2025 7:07:52 AM

Testimony for HLT on 3/12/2025 9:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Heidi Berman	Individual	Support	Written Testimony Only

Comments:

I support the intent of this measure. However, I prefer the more robust language of HB250 HD2, specifically the timeline for approval of prior authorization requests. I would also like to suggest an amendment imposing penalties on health insurance companies who fail to comply with the approval timeline.