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April 16, 2024

Senator David Wilson 120 Fourth Street Room 121 Juneau, AK 99801

Dear Chairs Wilson and Kaufman,

Senator James Kaufman 120 Fourth Street Room 115 Juneau, AK 99801

The American Academy of Neurology (AAN), is the world's largest association of neurologists and neuroscience professionals, with over 40,000 members. The AAN's mission is to enhance member career fulfillment and promote brain health for all. A neurologist is a doctor with specialized training in diagnosing, treating, and managing disorders of the brain and nervous system such as Alzheimer's disease, stroke, concussion, epilepsy, Parkinson's disease, multiple sclerosis, headache and migraine.

The AAN writes to express our support for S.B. 219. This legislation removes unnecessary burdens associated with prior authorization (PA) that create delays in care, including requiring utilization review entities to establish a program defining standards and criteria for the operation and structure of utilization review and benefit determination processes, including an exemption process for PA if a health care provider has received approval for at least 80 percent of PA requests within a 12 month period. The AAN strongly urges the Senate Health & Social Services Committee to pass S.B. 219 that will streamline the prior authorization process for physicians.

Utilization management tools such as PA can be time consuming and expensive administrative requirements that take away from direct patient care and be dangerous for patients. These tools not only cost an estimated \$93.3 billion annually on the US healthcare system,<sup>1</sup> but has also been reported to lead to patient treatment abandonment by 80 percent of physicians, with 33 percent reporting that PA has led to a serious adverse event (such as hospitalizations, permanent impairment, disability, or even death) for a patient in their care.<sup>2</sup> For neurologic patients with chronic conditions, there is often no "one size fits all" course of treatment. Prompt access to care is essential to minimize risks of dangerous complications and side effects.

Prior Authorization also creates high level of burden on the medical care system, with 88 percent of physicians describe the burden associated with PA as high or extremely high, averaging 45 prior authorizations a week, taking around 15 hours a week to process. The gap between demand for and supply of neurologic services is widening due to several factors, including an aging population increasingly afflicted with neurodegenerative disorders.<sup>3</sup> Use of physician time to complete PA processes reduces patients' abilities to receive timely care. The AAN is very concerned by the expansion of PA throughout the health care system and supports efforts to protect the physician-patient decision-making process.

<sup>&</sup>lt;sup>1</sup> https://www.healthaffairs.org/doi/abs/10.1377/hlthaff.2021.00036

<sup>&</sup>lt;sup>2</sup> https://www.ama-assn.org/system/files/prior-authorization-survey.pdf

<sup>&</sup>lt;sup>3</sup> https://www.neurologylive.com/view/the-grave-threat-posed-by-the-shortage-of-neurologists

The AAN applauds Alaska's efforts to create standardization in the PA process by providing an exemptions process for physicians, also known as 'gold carding', whose PA requests were approved at least 80 percent of the time, to be exempt from having to submit requests for the next 12 months. If passed, these provisions will increase efficiency for physicians and enable patients to receive timely, high-quality care.

S.B. 219 will not eliminate prior authorization; instead, S.B. 219 is a multifaceted approach that will improve access to and continuity of care for patients, promote transparency and fairness in the prior authorization process, and minimize the use of unnecessary prior authorization for services that are routinely approved. These improvements will benefit many neurologic patients who require timely access to care for their chronic conditions.

On behalf of the AAN, our 40,000 members, and their patients, we urge a favorable vote on S.B. 219. Please don't hesitate to contact Hanna Ahmaripour, Government Relations Program Manager, at hahmaripour@aan.com with any questions. Thank you for your consideration.

Sincerely,

Carlayne Jackson

Carlayne E. Jackson, MD, FAAN President, American Academy of Neurology