

# Stop Insurance Hassles That Harm Patient Care



In 2021, Texas took precedent-setting strides to cut down on excessive health plan prior authorizations that hold up routine care and medications.<sup>1</sup> Yet, health insurers continue to exploit loopholes and employ other questionable practices that unnecessarily and detrimentally impede patient care.

For physicians with a 90% approval rate on individual procedures, House Bill 3459 (87th Regular)<sup>2</sup> was intended to remove the costly administrative burdens and delays to medically necessary patient care that went along with health plans' onerous requirements to review that care before covering it. But numerous physicians have yet to receive their "gold card" exemptions, despite their qualifications under the law and despite those rules taking effect in October 2022.<sup>3</sup>

That means patients are still not getting care that's truly needed in a timely, efficient manner, and further reform is needed.

In the name of cost saving, health plans are evolving other policies with the same result of care delays, patient-safety concerns, and cost shifting. This is especially true with medications and emergency care.

"White bagging" arrangements that have gained popularity since the COVID-19 pandemic require physicians or facilities to purchase medications through their own specialty pharmacies, versus the traditional route of physician practices purchasing the drugs directly, then billing payers for the treatment.

Without taking patients' medical needs or drug sensitivities into account, health plans also may abruptly change a stable patient's medication, typically to a less expensive option, via "nonmedical switching."

Nor can patients apply drug manufacturer coupons to their deductible or out-of-pocket maximum with most Texas health plans now using "copay accumulator" policies – which means health plans get paid twice at the expense of the patient.

And Texas' longstanding "prudent layperson" standard was meant to protect patients from worrying about whether their health coverage will come through for them if they experience what they believe is a health emergency. Yet health plans continue to penalize patients by retroactively denying coverage.

At a time when Texas is looking to reform health care, make it more affordable and accessible, and control costs, these policies frustrate physicians' medical judgment, interrupt patient treatment, and shift costs to patients. They only benefit health plans' bottom line, not patient care.

## TMA'S POSITIONS

### TMA SUPPORTS:

- Closing the loopholes that undermine the prior authorization exemption process in House Bill 3459 (87th regular) and cause costly delays in patient care.
- House Bill 1647 by Rep. Cody Harris (R-Palestine) and Senate Bill 1138 by Sen. Charles Schwertner, MD (R-Georgetown), that prohibits "white-bagging" policies, which raise efficacy and patient safety concerns.
- House Bill 826 by Rep. Stan Lambert (R-Abilene) and Senate Bill 1221 by Sen. Zaffirini (D-Laredo) that ensures physicians are involved in decisions to change patients' medications by preventing nonmedical switching.
- House Bill 999 by Rep. Four Price (R-Amarillo) that bans "copay accumulators," which add to out-of-pocket costs, especially for very sick patients.
- House Bill 1236 by Rep. Tom Oliverson, MD (R-Cypress), and Senate Bill 1139 by Senator Schwertner that ensures patients are not wrongfully denied emergency care after the fact.

### TMA OPPOSES:

- Any efforts to undermine Texas' surprise-billing protections.
- House Bill 633 by Rep. James Frank (R-Wichita Falls), which limits patient choice by disincentivizing cash payments through government rate-setting.

1 [AMA 2021 Prior Authorization Physician Survey](#)

2 [House Bill 3459](#), 87th Regular Session, enrolled version

3 [Texas Department of Insurance, Information on Implementation of HB 3459](#)



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