

August 17, 2016

Jim Freeburg
Washington State Office of Insurance Commission
P.O. Box 40255
Olympia, WA 98504-0255

Dear Mr. Freeburg:

The Pathology Laboratory Consortium represents six of the largest anatomic and clinical pathology laboratories servicing all counties in the state of Washington. The table below presents our top prior authorization barriers and the negative impact these barriers currently have on patient care. We would like to urge the OIC to use existing authority to streamline and standardize the various payers/health carriers' prior authorization processes in Washington State by supporting our purposed solutions.

As your office examines comments submitted by various stakeholders on the pending legislation that intends to streamline the prior authorization process, improving patient care in Washington State, our consortium would like to take this opportunity to share our unique perspective.

For laboratory professionals and pathologists, the downstream impact we have on patient care is critical and requires immediate action. Physicians depend on the information that we provide in order to initiate clinically appropriate care as up to 70% of all medical decisions are based on laboratory results. As part of the patient care team we must make medical decisions based on the clinical criteria evident at the time of specimen submission. A number of factors can affect the outcome of patient results, delays in those decisions will negatively impact patient care and increase cost in our current healthcare system.

When considering pre-authorization for pathology and laboratory services note that Pathologists cannot predict the testing necessary without evaluation. Delays in our ability to order clinically impactful and relevant testing will harm patients.

To prevent delays for some of our most clinically ill patients we strongly encourage the OIC to place pathology and laboratory testing under the pre-authorization for the approved medical procedure.

Prior Authorization Barriers	Impact	Proposed Solutions
Requirements vary across payers/health carriers	<ul style="list-style-type: none"> • Delay in patient follow up and care due to administrative burden in complex and confusing requirements and processes 	<ul style="list-style-type: none"> • Standardize requirements and processes • Require detailed resources with clear requirements for providers and patients
Requirements frequently change and are not communicated	<ul style="list-style-type: none"> • Delay in patient follow up and care due to administrative burden in complex and confusing requirements and processes 	<ul style="list-style-type: none"> • Mandate payers to publish current guidelines for prior authorization on website • Communicate proposed changes, with comment period, to providers at least 120 days prior to effective date
Time between authorization submission and response	<ul style="list-style-type: none"> • Increases turn-around-time from receipt of specimen to initiation of testing to analysis essential to rendering diagnosis and determining patient treatment • Delay in patient care • Increased cost to patients and healthcare system • Potential repeat procedures for additional viable specimen acquisition • Degradation of specimens which may result in additional delays 	<ul style="list-style-type: none"> • Require payers to review and approve or deny prior authorization requests in a standardized and timely manner • Require payer capability to receive and respond to prior authorization requests electronically via HIPAA ANSI ASC X12 Set ID 278 • Allow for an immediate approval process in extenuating and urgent circumstances in case where care outcomes could be negatively impacted
Requirements not aligned with industry best practices	<ul style="list-style-type: none"> • May negatively impact patient care outcomes by lack of information needed to determine best treatment 	<ul style="list-style-type: none"> • Eliminate prior authorization requirements for certain testing (anatomic & molecular pathology) when patient care may be compromised waiting for payer response • Prohibit retroactive denials of covered, medically necessary services
Downstream providers cannot request prior authorization for necessary testing	<ul style="list-style-type: none"> • Numerous inefficiencies in delivering needed testing and services • Additional staffing for laboratories and insurers as new systems will need to be created and implemented • Increased cost to patients, laboratories and insurance companies 	<ul style="list-style-type: none"> • Give downstream providers access to request prior authorization for needed testing • Remove prior authorization requirement for additional testing based on preliminary diagnosis • Require insurers to provide immediate approval for laboratory testing and procedures

We appreciate your time and utmost consideration of the above comments and proposed solutions. If the OIC requires further information or clarification please do not hesitate to contact Kathleen Fondren at (206) 576-6736.

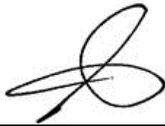
Sincerely,



Barbara Zehentner, Vice President
Hematologic, Inc.



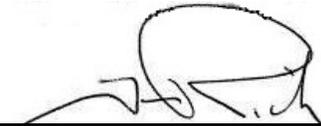
Tom Rehwald, CEO
InCyte Diagnostics



Stu Adelman, CEO
Puget Sound Institute of Pathology



Susan Morgan, COO
Puget Sound Institute of Pathology



Tim Rich, CEO
PhenoPath Laboratories



Shawna Lumpkin, Director of Finance
Northwest Pathology, P.S.



Nicole Keller, Director of Quality & Compliance
Northwest Pathology, P.S.



Kathleen Fondren, CEO
CellNetix



Lisa Brooks, Senior Billing Specialist
Hematologic, Inc.