

July 1, 2025

Assemblymember Pamela J. Hunter
President
National Council of Insurance Legislators
616 Fifth Avenue, Unit 106
Belmar, NJ 07719

Sent via email: Anne Kennedy (akennedy@ncoil.org); Will Melofchik (wmelofchik@ncoil.org)

RE: NCOIL Prior Authorization Reform Model Act

Dear Asw. Pamela Hunter,

The Blue Cross Blue Shield Association (BCBSA) commends the National Council of Insurance Legislators (NCOIL) for its continued focus on improving patient access to care and its interest in solutions to promote greater consistency within the prior authorization process. As NCOIL continues its work on the *Prior Authorization Reform Model Act*, we offer the attached recommendations on the draft model act that reflect our commitment to ensuring timely and effective care while preserving our ability to balance different priorities so that patients receive the most effective care at the most affordable cost.

BCBSA is a national federation of 33 independent, community-based and locally operated BCBS companies (Plans) that collectively cover, serve and support 1 in 3 Americans in every ZIP code across all 50 states and Puerto Rico. BCBS Plans contract with 96% of hospitals and 95% of doctors across the country and serve those who are covered through Medicare, Medicaid, an employer, or purchase coverage on their own.

Prior authorization is a tool used to confirm that treatments and services our members receive are covered, evidence-based and not redundant, while also ensuring that every health care dollar is spent wisely. It lowers out-of-pocket costs for our members and premiums for everyone.¹ However, we recognize the prior authorization process is not perfect, so we are taking proactive steps to improve it. Recently, we announced a series of commitments to streamline, simplify and reduce prior authorization.² These commitments are being implemented across insurance markets and include the following:

- Further reducing the use of in-network prior authorization for certain medical services

¹ Busch, Frederick, and Stacey Muller. 2023. *Potential impacts on commercial costs and premiums related to the elimination of prior authorization requirements*. <https://www.milliman.com/en/insight/potential-impacts-elimination-of-prior-authorization-requests>.

² <https://www.bcbs.com/news-and-insights/article/right-care-right-place-right-time>

- Fast-tracking responses for electronic prior authorization requests
- Providing personalized support and more transparency in the prior authorization process
- Creating a more seamless process for people who switch health insurance companies

Along with other health insurers that are making these commitments, 257 million people across the country will benefit from these improvements.

BCBSA shares NCOIL's goal of reducing administrative barriers to care and ensuring that patients receive the right care at the right time. We also believe it is critical that any prior authorization reforms preserve the ability to reduce inappropriate or duplicative care, promote adherence to evidence-based standards and ensure that every health care dollar is spent wisely. Our comments aim to ensure that the final model legislation achieves this balance.

In addition, several of our recommendations focus on aligning the model act with existing federal requirements, including the Centers for Medicare & Medicaid's [Interoperability and Prior Authorization Rule](#), to ensure consistency and support streamlined compliance and implementation across federal and state requirements.

We strongly support the provisions that promote the adoption and use of electronic prior authorization (Section 6). Nearly half of all prior authorization requests are still done by phone, fax or through the mail – that is why we need provider adoption of modern technology so we can work together to streamline the review process, relieve administrative burdens, improve transparency and provide patients with faster access to care. These provisions are critical to modernizing the prior authorization process.

Thank you again for your leadership on this important issue. BCBSA welcomes the opportunity to support further collaboration as the model act advances. If you have any questions, please feel free to contact Randi Chapman, Managing Director of State Affairs, at Randi.Chapman@bcbsa.com.

Sincerely,



Clay S. McClure
Executive Director, State Affairs
Blue Cross Blue Shield Association

Attachment:

BCBSA redline comments on NCOIL Prior Authorization Reform Model Act