

April 2, 2020

Via Email to: GovernmentRelations@tdi.texas.gov

The Honorable Kent Sullivan
Commissioner
Texas Department of Insurance
P.O. Box 149104
Austin, Texas 78714

Re: THA Urges Private Health Insurers to Help Hospitals and Health Systems Meet Historic Challenge to Respond to COVID-19

Dear Commissioner Sullivan:

On behalf of our more than 450 member hospitals and health systems, including rural, urban, children's, teaching and specialty hospitals, the Texas Hospital Association respectfully requests your attention to the following to ease payor-related administrative burden during the COVID-19 outbreak.

On March 10, Governor Abbott and the Texas Department of Insurance requested that health insurers and health maintenance organizations operating in Texas take the following actions in anticipation of the surge of COVID-19 related patients. In that order, the Governor and TDI asked health plans to do the following:

- *Waive co-payments, co-insurance, and deductibles for testing that is consistent with guidance issued by the Centers for Disease Control and Prevention (CDC).*
- *Waive consumer cost-sharing and facilitate expanded use of telemedicine.*
- *Cover necessary medical equipment, supplies, and services.*
- *Waive penalties, restrictions, and claims denials for necessary out-of-network services.*
- *Waive requirements for pre-authorization, referrals, notification of hospital admission, or medical necessity reviews for care consistent with CDC guidance.*
- *Allow extra time for health providers and facilities to file claims.*
- *Authorize payment to pharmacies for up to a 90-day supply of any prescription medication for individuals, regardless of when the prescription was filled.*

THA member-hospitals are concerned that compliance with the above requests could be viewed as discretionary, rather than mandatory. Prior authorizations and other forms of utilization review are time consuming exercises that frequently divert the attention of health care providers from care at the bedside to paperwork and administrative tasks. Moreover, Governor Abbott and the Texas Medical Board have ordered elective, non-emergent procedures to cease during the public health emergency—these are typically the procedures subject to utilization review.

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Further, THA urges TDI and the Office of the Governor to adopt [the American Hospital Association's recommendations](#) to support stable cash flow by allowing providers to opt into periodic interim payments and/or accelerated payments for the duration of the public health emergency, much like what is available through the Medicare program and expedite processing of outstanding claims that have resulted in billions of dollars in accounts receivables.

In addition, THA urges TDI and the Office of the Governor to review some of the proposals from other states regarding insurance requirements, like Georgia, for example. Last week, Commissioner John King issued an order suspending certain utilization review and notification requirements for 60 days. THA would welcome similar action in Texas. We have enclosed the full order for your review.

We appreciate TDI's excellent communication with THA and all the steps TDI has taken to help Texans during this unprecedented event. We look forward to continuing our dialogue with you. Please let us know if you have any questions or would like any additional information.

Respectfully,



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Texas Hospital Association

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