



TO: House Healthcare Committee

FROM: Michelle Wade, MSN/Ed, APRN, AGNP-C, ACNPC-AG, FAANP
President Vermont Nurse Practitioner's Association

RE: Written Testimony Regarding Testimony on H.585 An act relating to health insurance reforms –
Section 11 (Prior Authorization)

Date: February 4, 2026

Thank you, Chair Black and members of the Committee. I am here today to speak specifically to Section 11 (Prior Authorization) of H.585 and its impact on primary care delivery in Vermont.

In 2025, with this committee's help, the Vermont Legislature enacted H.31 (Act 3), which prohibited prior authorization requirements for some services ordered by primary care providers. That policy decision reflected extensive evidence that prior authorization requirements in primary care create administrative burden, **delay care**, and fail to demonstrate meaningful or sustained cost savings. Importantly, that law applied to primary care broadly, without regard to whether services were delivered in hospital-based practices, hospital-affiliated practices, or privately owned practices.¹

Section 11 of H.585 represents a significant departure from that approach. As written, it conditions the prior authorization exemption on practice ownership and affiliation, rather than on the delivery of primary care itself. This distinction is not supported by evidence and introduces inequity across Vermont's primary care system.²

Primary care is primary care regardless of whether it is delivered in a hospital-owned clinic, a hospital-affiliated practice, or an independently owned practice, a free clinic, or a community based program. Patients do not experience different clinical needs based on the corporate structure of a practice, and there is no data demonstrating that prior authorization is more appropriate, more effective, or more cost-efficient in one primary care setting versus another.

Vermont's Primary Care Advisory Group (PCAG) of the Green Mountain Care Board, established by statute to address administrative burden in primary care has examined the use of prior authorization over multiple years. PCAG has formally documented that prior authorization in primary care does not demonstrate meaningful cost savings. PCAG found that more than 90 percent of prior authorization requests are ultimately approved, that return-on-investment analyses fail to account for indirect and administrative costs, and that prior authorization shifts unreimbursed costs from insurers to practices and may increase the overall cost of care.³

According to the 2024 Vermont Clinician and Administrator Prior Authorization Baseline Impact Survey, submitted to the Legislature last session, the administrative burden is widespread across primary care settings, with no

meaningful differentiation by ownership or affiliation. Respondents reported significant delays in care and frequent approvals after extensive administrative effort.⁴

Peer-reviewed literature further supports these conclusions, demonstrating that increased time spent on prior authorization is not associated with higher approval rates, indicating that these requirements function primarily as administrative hurdles rather than effective cost-containment tools.⁵

If the intent of Section 11 is to support primary care, improve access, and reduce unnecessary administrative waste, then the prior authorization exemption must apply consistently and equitably across all primary care practices.

I respectfully urge the Committee to amend Section 11 to ensure that the prior authorization exemption applies to all primary care providers and all primary care practices, regardless of hospital ownership, affiliation, or private ownership, consistent with last year's enacted law and the available evidence.

References

1. 2025 Vt. Acts & Resolves No. 3 (H.31), An act relating to claim edit standards and prior authorization requirements.
2. H.585, 2026 Biennium, Vermont General Assembly, Section 11 (as introduced).
3. Green Mountain Care Board. Primary Care Advisory Group Update. January 17, 2018.
4. Barnard J. *2024 Vermont Clinician and Administrator Prior Authorization Baseline Impact Survey Results*. Submitted to the Vermont General Assembly, January 2025..
5. Madhusoodanan V, Ramos L, Zucker IJ, et al. Is time spent on prior authorizations associated with approval? *J Nurse Pract*. 2023;19:104479.