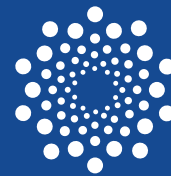


# Say No to SB 250

A Prescription for Low-Value Healthcare



California Association of  
**Health Plans**

Californians deserve safe, high quality, high-value health care. Yet SB 250 will derail the progress we've made in our health care system by lowering the value and safety that Californians should expect from their health care providers.

## What is low-value healthcare?

Medical services, procedures, tests and treatments such as unnecessary CT scans or MRIs for uncomplicated conditions, for which there is little to no benefit and has the potential for physical or financial harm to the patient.

A 2019 JAMA Network study proves that low-value care is costly, finding that the U.S. health care system spends **\$14.4 billion and \$29.1 billion annually** on these low-value services, also sometimes called "cascades" of unnecessary care.

According to a recent national survey, **90% of physicians** said they'd seen a cascade of unnecessary tests, treatments, or procedures bring harm to a patient, physically or financially.

### Prior Authorization Reduces Costs, Promotes Safety, and Prevents Waste for Patients, Consumers, and Employers

Health plans use medical management programs such as prior authorization to protect patients from such low-value care. SB 250 aims to dismantle this critical tool that ensures patients receive safe, high-quality health care at an affordable price.

### Prior Authorization is Used in Limited Circumstances to:

- Lower a patient's out of pocket costs
- Protect patients and prevent overuse, misuse, or unnecessary (or potentially harmful) care
- Ensure care is consistent with evidence-based practices

Just like doctors use scientific evidence to determine the safest, most effective treatments, health plans rely on data and evidence to understand what tools, treatments and technologies deliver the greatest value to improve patient health.

### By dismantling prior authorization, SB 250 could lead to:

- An increase in unnecessary and ultimately harmful patient services
- Harm to patients by allowing doctors to prescribe medication that could have a harmful interaction with another medication the patient is using – which is checked during the prior authorization process
- Consumer confusion and increased health care premiums due to a fundamentally altered payment structure in our healthcare system

SB 250 gives specified providers a blank check to perform and/or prescribe medically unnecessary procedures and medications, including those most frequently linked to fraud, abuse and medical waste, without any oversight of their clinical decisions for a period of two years. This is irresponsible from both a care and cost perspective.

SB 250 is a one-size-fits-all bill that will decrease health care transparency, raise premiums and potentially worsen healthcare outcomes for patients.

# Vote No on SB 250

# Real World Medical Management Stories:

Health Plans Ensuring the Highest Quality Care and Preventing Wasteful Medical Spending

## A Patient with Suspected Gallbladder Problem Receives Unnecessary CT Scan

A patient visited her doctor and complained of pain under her ribcage. Her doctor believed it may be a gallbladder issue and ordered a CT scan of the abdomen, even though evidence-based guidelines say that an ultrasound should be the first action taken. When provided with this information, the doctor reversed course and opted for the ultrasound.

The ultrasound allowed the doctor to get a clear look at the gallbladder without exposing the patient to radiation under a CT scan. Ultrasounds also cost far less than CT scans, while still allowing for a diagnosis on the condition.

*This example of prior authorization not only saved money, but also protected and enhanced the patient's care by encouraging the use of proper imaging for this situation and providing the doctor with the information needed for a diagnosis.*

## Prior Authorization Prevents Unnecessary Radiation Exposure in State Medicaid Program

A Medicaid patient received 22 CT scans during her pregnancy at tremendous risk to her unborn child. In another case, a two-year-old child received 19 CT scans in a period of just one month, including five scans in a single visit. These are just a few examples of the poor quality of care that existed in a state fee-for-service Medicaid program prior to a prior authorization program being implemented. But in just the first year of the program being implemented in that state, the prevention of unnecessary radiation exposure led to the potential avoidance of more than 32 additional cancers in those Medicaid patients over their lifetimes.

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## Evidence-Based Guidelines Protect Patient with Ataxia From Unnecessary Radiation Exposure

A patient was feeling dizzy and went to see his doctor. The doctor believed the issue may have been ataxia, when a person lacks muscle control. Often providers will order a CT scan of the brain even though the evidence-based guidelines suggest that an MRI of the brain is the best option. An MRI provides a more detailed image and doesn't require radiation. Using evidence-based guidelines, the doctor ordered the MRI instead of the CT scan and was able to find the source of the issue faster and avoid unnecessary and potentially harmful radiation.

*(Source: Evicore)*