

# Insurers Pledge to Streamline 80% of Treatment Approvals by 2027 — What It Means for Virgin Islanders

**Voluntary insurer pledges backed by HHS aim to reduce prior authorization delays by 2027, potentially improving healthcare access in underserved areas like the U.S. Virgin Islands—though most changes are not immediate and lack federal enforcement.**

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A major development in U.S. healthcare policy could eventually improve access and reduce delays for patients in the U.S. Virgin Islands.

In late June, U.S. Health and Human Services (HHS) Secretary Robert F. Kennedy Jr. announced that major health insurers had voluntarily committed to streamlining and modernizing the prior

authorization process, which currently requires patients to get insurance approval before receiving many types of care.

“Insurance executives came to our offices and agreed, voluntarily, to remove the burdensome preauthorization process for 80% of treatments,” Secretary Kennedy said, thanking Centers for Medicare & Medicaid Services (CMS) Director Dr. Meena Seshamani for her leadership.

However, while the agreement is a significant step, the changes are not immediate and do not eliminate preauthorization across the board. Instead, insurers have pledged to meet key targets by 2026 and 2027, and participation is voluntary.

Six of the nation’s largest insurers — covering around 75–80% of insured Americans — agreed to a set of reforms that include:

- Reducing the volume of services that require prior authorization by January 1, 2026
- Implementing electronic systems to automate and standardize prior authorization requests by January 1, 2027
- Ensuring that 80% of electronic prior authorization requests receive real-time determinations by 2027
- Honoring prior approvals for 90 days when a patient switches insurance plans
- Increasing transparency and reporting around denial rates and processing times

These steps aim to improve speed, transparency, and consistency in how insurers handle treatment approvals.

While the reforms are national in scope, they have meaningful implications for Virgin Islanders — particularly those covered by Medicare Advantage, Medicaid managed care, or commercial insurance from participating providers.

If insurers follow through:

- Patients could face fewer delays in getting tests, prescriptions, and procedures authorized
- Doctors and clinics may spend less time on insurance paperwork, freeing up resources for direct care
- Out-of-pocket costs and denied claims may decline as processing becomes faster and more reliable

These benefits would be especially significant for underserved communities where access to care is already constrained — including the Virgin Islands, where limited provider availability and long wait times compound the impact of bureaucratic delays.

Despite the promising goals, the reforms are not yet in effect. Most won't kick in until 2026 or 2027, and because the plan is voluntary, there is no federal enforcement mechanism if insurers don't meet their targets.

Healthcare policy experts have also cautioned that some of the commitments mirror rules that CMS has already proposed — such as mandating real-time electronic prior authorizations for Medicare plans by 2027 — meaning the voluntary pledges may offer limited added accountability.

In other words, patients and providers in the Virgin Islands may not feel the effects of these reforms for another year or more.

One of the most critical aspects of this initiative is its potential to reduce disparities in healthcare access. Prior authorization requirements have disproportionately affected marginalized communities who lack the time, internet access, or support to navigate complex appeals processes.

By shifting toward faster, more transparent approvals, the initiative aims to level the playing field — a goal that resonates strongly in the Caribbean territories and across the diaspora.

### **What to Watch For**

As implementation moves forward, the Virgin Islands healthcare community — from the Department of Health to Juan Luis Hospital and Schneider Regional — will need to monitor:

- Which insurers operating in the territory adopt these reforms
- Whether providers are equipped to transition to electronic systems
- How timelines and reporting are tracked to ensure promises are kept

While the announcement by Secretary Kennedy marks a promising shift in national healthcare policy, it's important to understand the details: the reforms are voluntary, phased-in, and not yet realized. For patients in the Virgin Islands and beyond, the true test will be whether insurers follow through — and whether regulators hold them to it.