

Prior Authorization

What is Prior Authorization?

Prior authorization is a process that requires a patient's health plan to approve a service or prescription before it can be provided.

Why is it a Problem?

Prior Authorization can delay or deny appropriate care, leaving patients sick or in pain and worsening outcomes. More than nine in 10 physicians (94%) reported that prior authorization delays access to necessary care. Physicians reported completing an average of 43 prior authorizations per week, and more than a quarter (27%) of physicians reported that prior authorization requests are often or always denied. More than nine in 10 physicians (93%) reported that prior authorization has a negative impact on patient clinical outcomes. Nearly one in four physicians (24%) reported that prior authorization has led to a serious adverse event for a patient in their care, including hospitalization, permanent impairment, or death.

Prior Authorization is an overwhelming administrative burden on providers and patients. More than nine in 10 physicians (95%) reported that prior authorization somewhat or significantly increases physician burnout. More than three-fourths of physicians (78%) reported that patients abandon treatment due to authorization struggles with health insurers.

Prior Authorization can lead to higher health care costs. More than four in five physicians (87%) reported that prior authorization requirements lead to higher overall utilization of health care resources, resulting in unnecessary waste rather than cost-savings. More specifically, physicians reported resources were diverted to ineffective initial treatments (69%), additional office visits (68%), urgent or emergency care (42%), and hospitalizations (29%) due to prior authorization requirements.

Stories From Nebraska Hospitals and Patients:

“

Patient hospital discharges are delayed for days or even weeks at a time with prior authorization reviews and appeals. This keeps some patients away from their families or from moving on to more appropriate care, and other patients in the ER waiting for rooms to open. For those needing skilled nursing or rehab care after discharge, many are denied even when doctors feel it is necessary for them to have rehab.

”

“

We prescribed a medication for a dialysis patient in February and due to all the difficulties with prior authorization, she finally received the medication in September. This was a critical medication in an ESRD (End Stage Renal Disease) patient and getting it to her was a nightmare.

”

“

I went to my primary care doctor due to lower abdominal pain. He felt it was likely appendicitis, but had to do prior authorization to get a CT scan due to my white blood cell count not being high enough. My insurance said this would take 5-7 days. I later had to report to the Emergency Room with worsening pain so I could receive a scan without prior authorization. I ended up having my appendix removed and could have had a burst appendix if I had waited to be approved.

”

“

Patients are going directly to the Emergency Department with non-emergent conditions just so they can get diagnostic CT scan.

”

Prior Authorization

How Do We Fix the Problem?

INCREASE TRANSPARENCY:

- Require health plans to make prior authorization requirements readily accessible to enrollees and providers.

STREAMLINE PROCESSES AND ACCOUNTABILITY:

- Utilize a standard form for all review entities.
- Adverse decisions must be made by a physician with the appropriate expertise and must cite its criteria used for the denial.

REQUIRE RESPONSE TIMES:

- A review entity must respond within a specified timeframe for urgent and non-urgent requests.

PROTECT THE PATIENT'S CONTINUITY OF CARE:

- No retrospective denials after a prior authorization is provided to a provider if care is delivered within 60 days.
- A prior authorization is valid for at least 1 year or length of treatment if a chronic condition.
- Prior authorization can follow a patient for 60 days if they switch a health plan.

PROHIBIT PRIOR AUTHORIZATIONS REQUIREMENTS FOR:

- Emergency confinement or emergency services.
- Transportation between facilities in emergency settings.
- Cancer care.
- Services that have an A or B rating from US Preventive Services Task Force.
- Immunizations recommended by the CDC and more.

