



Prior Authorization

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Disclosure:

None of the presenters or planners for this activity have relevant financial relationships to disclose with ineligible companies.



**How many of us here have heard of the term
Prior Authorization?**

Learning Objectives



Apply the information provided from today to assist in Prior Authorization (PA) process

Solve medication Prior Authorization rejections / issues

Use the information provided to help patients getting medications in a timely manner and minimize delays in medication treatments

Demonstrate the unique services provided at OHSU for medication Prior Authorization and cost assistance programs once PA approved

Practice on improving communication workflow to assist in PA process

Pretest Question 1



What are some issues with Prior Authorization process that affect patient care?

- A. Prior Authorization is a guessing game
- B. Fighting rejections and denials is time consuming process
- C. Approval process is unpredictable
- D. Delays in treatment plans and patient care
- E. All of the above

Pretest Question 2



In a 2022 American Medical Association (AMA) physician survey, on average how many PAs complete per physician weekly?

- A. 35
- B. 40
- C. 45
- D. 50

Pretest Question 3



What are the unique services we have at OHSU pertaining to Prior Authorization process?

- A. Medication Assistance Program (MAP) – Copay assistance options
- B. Grants and funding applications / Referral to manufacturer free drug programs
- C. Copay cards available
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Prior Authorization (PA)

Health plan cost-control process by which a member of the healthcare team must obtain approval, before a prescribed procedure and medical service will be covered by the health insurance plan, or before a medication can be dispensed to the patient to qualify for payment coverage.

→ Prior Approval process¹.



Prior Authorization in Pharmacy

When patients go to the pharmacy to fill a prescription, they are often told that their insurance company won't pay for the medication unless the physician or pharmacy obtains approval.

Patients may wait days, weeks or even months to obtain authorization from an insurer.

This tactic, used by insurance companies to control costs, is called prior authorization².



Prior Authorization in Oncology

Specialty medications, antineoplastic medications, oral /injection oncology chemotherapy medications, and high dollar medications require a lot of paperwork, faxes, and lengthy phone calls to request coverage and get permission to use those specific medications.

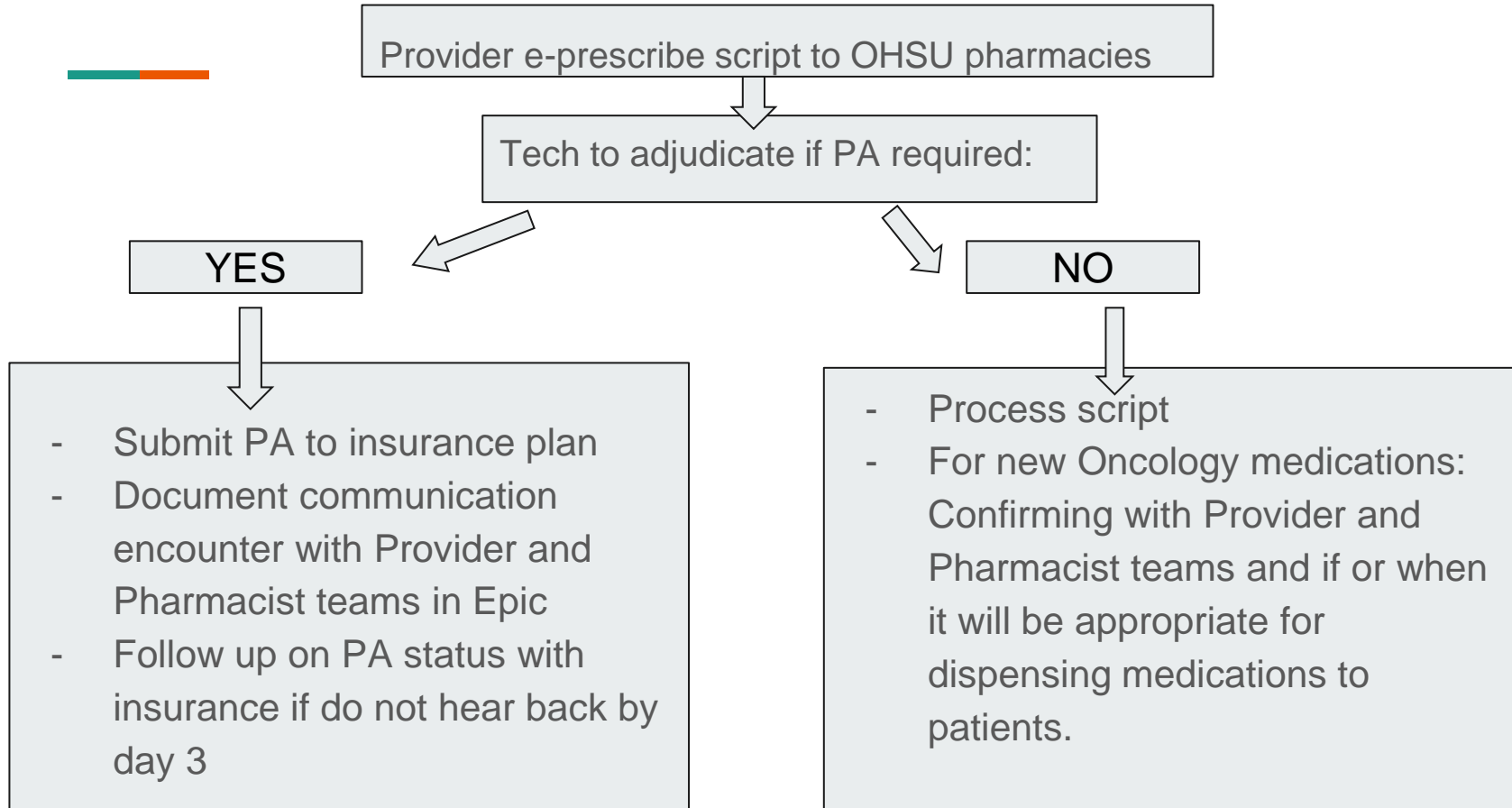
Health insurance plans required prior approval request for these medications regarding to newly diagnosed treatments, relapsed conditions, or change in current treatment plans and medications. ³



Prior Authorization under my personal experience view

How to smartly deal with insurance companies in the most appropriate and effective ways to get medications, especially oral chemotherapy medications approved for patients in the best possible timely manner.

Prior Authorization Steps



Prior Authorization Steps cont.



When PA is Approved:

- Update communication encounter with Provider and Clinical Pharmacist teams
- Route script to the appropriate specialty pharmacy if needed
- Inform patient about approval and medication copay
- High copay assistance options available - details provided in following slide
- Cost assistance options

Unique services benefit oncology patients at OHSU

When PA approved for oral chemotherapy medications with high copays

- Medication Assistance Program (MAP) – Copay assistance options
- Grants vs Manufacturer process
- Free drug supply
- Copay cards available

- Out of pocket expense available to assist:
 - Partial fill to help with bridging days before medication is approved/
reapproved
 - Reimbursement when PA is approved and patient has paid out of pocket
 - Offer emergency supply to start medication immediately while waiting for PA
process

- Compass Rose program to help patient stays on track of refills with monthly
reminder calls
- Ability to order specialty / oral chemotherapy medications ahead of time and in a
timely manner

Prior Authorization Steps cont.

When PA is Denied:



For non oral chemotherapy medications:

- Provider team can appeal directly with insurance companies

For oral oncology medications:

- Update communication encounter with Provider and Clinical Pharmacist teams
- Check with Provider and Pharmacist teams if needing to appeal with insurance
- Follow up with Medication Assistance Program (MAP) team if exhausted all appeal options
- Confirm with Provider team if an alternative medication is appropriate or drug company supply as the next possible option
- Manufacturer option after all Appeals have been denied

Important PA rejection terms³

Denial: The insurance company refuses to pay for services requested or medication ordered

Some reasons for a denial include:

- Paperwork/coding errors
- Questions about medical necessity
- Cost control (“try this first”)
- Therapy /medication / formulary preferred agent list has been tried and failed

Important PA rejection terms cont.

Appeal: This is the opportunity to ask insurer to rethink their denial and pay for the service. Timing is important. There are time limits on when we can file an appeal and rules for how soon the payor must respond with a decision.

There are 3 main types of appeals:

1. An **Internal appeal** is when you appeal directly to the insurer.
2. **External appeals** are available when Provider or member can appeal directly to Independent Review Companies
3. In urgent cases, an **expedited appeal** may be requested.

Important PA rejection terms cont.



Formulary: This is a list of prescription drugs, both generic and brand-name medications, that are covered by the health insurance plan.

Pharmacy not in network, PA required: Insurance plan required this specialty medication to go to a preferred specialty pharmacy of their contracted plan; and PA is still required

Ex: Credena Specialty for Providence Health Plan.



**Any guesses on average how many PAs
complete per physician weekly?**



How Does PA Impact Providers?³

PA can contribute to physician burden. In a 2022 American Medical Association (AMA) physician survey, more than 2 in 5 physicians reported that they have staff who work exclusively on PA. Physician practices complete, on average, 45 PAs per physician weekly. In addition, it can take approximately 2 business days (14 hours) of physician or staff time, weekly, to complete this PA workload (AMA, 2022)³.

How Does PA Impact Patients? ³


Prior authorizations can lead to:

Delays – More than 26% of survey respondents experienced significant delays in starting physician-recommended treatment (CSC)³.

Treatment Changes or Abandonment – High wait times may also lead to treatment abandonment. More than 17% of respondents changed their treatment decision due to the PA requirement (CSC)³.

Unexpected Out-of-Pocket Costs – Approximately a quarter of respondents reported unexpected out-of-pocket costs due to the PA requirement for physician-recommended diagnostic tests or treatments (CSC)³.

Rejection of Recommended Service – In a worst-case scenario, PA may lead to a rejection of the prescribed medication or service.



Any of us here have experienced any Prior Authorization issues that you think insurance companies are awful?

Issues with Prior Authorization²



- It complicates decision-making
- Prior Authorization is a guessing game
- Fighting rejections and denials is time consuming process
- Approval process is unpredictable
- Denial barriers are harmful
- Delays in treatment plans and patient care
- Services /medications once covered might change once treatment plan change
- Renewal of coverage process is also unpredictable - required recent current clinical progress notes and labs

Efforts to fix prior authorization issues from insurance companies

The ways PA can negatively impact patient care are a perfect example why advocacy is so important. Federal and state policy activities provide opportunities for PA advocacy engagement³.

Many states have passed legislation or regulations containing PA conditions, including:

- Mandating the use of electronic prior authorization (ePA) so that patients get their medications, services, or procedures more quickly
- Requiring that a standard PA form is updated and reviewed by stakeholder groups and maintained by the state's commissioner of insurance
- Implementing deadlines by which the insurer must respond to appeals and provide an explanation why the claim was denied ³

Efforts to fix prior authorization issues from insurance companies

Jack Resneck Jr., MD, a dermatologist and immediate past president of the AMA stated:

“The AMA first tried to find compromise with insurance companies to right-size prior authorization”².

“AMA also has a variety of things that we're working on in Congress and in state legislatures across the country, and is beginning to see some successes advancing bills to fix prior authorization”²

“A number of states have already acted, and Congress is now considering bills to address the problems in Medicare Advantage plans that they regulate.” ²

Ways to assist in PA process

Communication, understanding, and patience

- **Encourage Providers to send scripts ahead of time**- These medications often need to start soon for newly diagnosed conditions. In addition, these medications usually result in very high copays after the insurance approval, Therefore, we need time to help patients finding copay assistance options. So the best education piece of information to pass along to providers to improve PA process is to help sending scripts ahead of time if possible.
- **Obtain clear understand from insurance company what are the necessary information needed for specific PA required**
- **Communication with patient throughout the process to keep them in the loop that healthcare team is working very hard with insurance companies**
- **Don't give up**³- Some patients may want to give up because the PA process can take so much time. For cancer patients, a delay in getting needed medication can be risky because these medications are necessary to control their cancer.

Understanding Prior Authorization from the Insurance side - Cost vs Studies

- A Tool to Promote Appropriate Drug Use and to Prevent Misuse
- Minimize off label medication use without the proper indications and documents provided by Providers
- Ensure that coverage for these select medications will be granted when medically necessary and prescribed by the appropriate specialist (e.g. limiting the prescribing of chemotherapy medications to oncologists.)
- Ensure formulary agents have tried and failed for the treatment requested prior to approve high cost medications
- Ensure appropriate studies are provided for the off label or non-formulary agent use requested.



Afterall goal

We're standing up to insurance companies to eliminate care delays, patient harm and practice hassles² to provide medical treatment needed for patients in a timely manner.



References:

¹<https://www.ama-assn.org/practice-management/sustainability/prior-authorization-practice-resources#:~:text=Prior%20authorization%E2%80%94sometimes%20called%20precertification,to%20qualify%20for%20payment%20coverage.>

²<https://www.ama-assn.org/practice-management/prior-authorization/what-doctors-wish-patients-knew-about-prior-authorization>

³<https://www.cancersupportcommunity.org/blog/what-to-know-prior-authorization>

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Questions?