Oversight needed on payers’ use of AI in prior authorization

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As health insurance companies turn to AI to speed up patient claim and prior-authorization decisions, the AMA will advocate for greater regulatory oversight of the practice.

AMA Recovery Plan for America’s Physicians

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“ProPublica revealed that over a period of two months in 2022, Cigna doctors denied more than 300,000 claims as part of a review process that used artificial intelligence, with Cigna doctors spending an average of 1.2 seconds on each case,” notes a resolution that was introduced by seven national specialty societies at the 2023 AMA Annual Meeting in Chicago.

The resolution notes that insurer UnitedHealthcare has said it uses technology enabling it to make “fast, efficient and streamlined coverage decisions.” The question raised by such use of technology is whether its use is in compliance the state and federal insurance regulations that govern payer decision-making on whether to approve claims or prior-authorization requests.

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To address this concerning phenomenon, the House of Delegates directed the AMA to advocate greater regulatory oversight of the use of augmented intelligence for review of patient claims and prior-authorization requests, including whether insurers are using a thorough and fair process that:

- Is based on accurate and up-to-date clinical criteria derived from national medical specialty society guidelines and peer-reviewed clinical literature.
- Includes reviews by doctors and health care professionals who are not incentivized to deny care and with expertise for the service under review.
- Requires such reviews include human examination of patient records prior to a care denial.
“The use of AI in prior authorization can be a positive step toward reducing the use of valuable practice resources to conduct these manual, time-consuming processes. But AI is not a silver bullet,” said AMA Trustee Marilyn Heine, MD.

“As health insurance companies increasingly rely on AI as a more economical way to conduct prior-authorization reviews, the sheer volume of prior-authorization requirements continues to be a massive burden for physicians and creates significant barriers to care for patients,” added Dr. Heine. “The bottom line remains the same: We must reduce the number of things that are subject to prior authorization.”

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Fixing prior authorization is a critical component of the AMA Recovery Plan for America’s Physicians.

Prior authorization is overused, and existing processes present significant administrative and clinical concerns. Find out how the AMA is tackling prior authorization with research, practice resources and reform resources.

Learn more with the AMA about the proper use of augmented intelligence in medicine.

In a separate action, delegates directed the AMA to “continue to conduct research on the costs associated with prior authorization by utilizing AMA and other data sources.”

Read about the other highlights from the 2023 AMA Annual Meeting.