Why prior authorization was a white-hot issue in 2018

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Andis Robeznieks
Senior News Writer

Prior authorization comes (PA) between physicians and their patients' care, and the process needs to be fixed. Learn why this issue drew the growing attention of patients, physicians, policymakers and other health care stakeholders in 2018.

PA is a health plan cost-control process that restricts access to treatments, drugs and services by requiring physicians to get approval prior to the delivery of the prescribed treatment or ordered service to qualify for payment. Find prior-authorization resources from the AMA to support reform, improve practice efficiency and provide data to highlight the need for change.

And take time to share your story. Tell us how PA is affecting your practice and your patients. Your stories will help us drive new policy to #FixPriorAuth.

Here is why PA became a white-hot issue this year.

The intense burden of prior authorization was quantified. An AMA survey of 1,000 practicing physicians found that medical practices spend an average of two business days a week per physician to comply with health plans' inefficient and overused PA protocols, according to an AMA survey of 1,000 practicing physicians. One-third of practices employ staffers who spend every second of their working hours on PA requests and follow-ups.

It was also found that nearly 90 percent of the physicians reported that the administrative burden related to PA requests has risen in the last five years, with most saying it has "increased significantly." On average, a practice will complete 29.1 PA requests per physician per week that take 14.6 hours to process. About half of the requests are for medical services, while the other half are for prescriptions, the survey found.

We learned more about how PA affects patients by delaying care. The view that prior authorization delays patients' access to care was virtually unanimous among physicians surveyed by the AMA. Traditionally, plans applied PA to newer or more expensive services and medications.

However, physicians report an increase in the volume of PAs in recent years, to include requirements for drugs and services that are neither new nor costly.

It became clearer that states can act to fix prior authorization run amok. A model reform bill drafted by the AMA Advocacy Resource Center is being used by states to take concrete steps to remove excessive burdens from the PA process. Patients are also getting involved by telling their legislators how PA has delayed access to the care they need.

The time-consuming nature of PA was revealed in startling detail. For example, the Cleveland Clinic explained how it spends millions on PA processing. This included sending repeat faxes at least hundreds of times each month because the first wasn't acted on and thousands of times a month the health system has to make five-plus calls needed to move a PA request along.

Physicians and payers collaborated on PA relief. A consensus statement between the AMA, the insurance industry trade group America's Health Insurance Plans, and other stakeholder organizations announcing their commitment to improving the prior-authorization process showed how the issue has risen to the top of the agenda.