

Feb. 18, 2022: Advocacy Update spotlight on prior authorization

Physicians report prior authorization hurts workforce productivity

Health insurance companies tout prior authorization for certain medical procedures, treatments or drugs as a cost-saving measure but insurer-imposed approval processes that go too far are no bargain for employers. Prior authorization requirements on evidence-based care can have severe consequences that interfere with a healthy, productive workforce, according to new survey results (PDF) issued by the AMA.

“Health insurance companies entice employers with claims that prior authorization requirements keep health care costs in check, but often these promises obscure the full consequences on an employer’s bottom line or employees’ well-being,” said AMA President Gerald Harmon, MD. “Benefit plans with excessive authorization controls create serious problems for employers when delayed, denied or abandoned care harms the health of employees and results in missed work days, lost productivity and other costs.”

According to the AMA survey, more than half (51%) of physicians who care for patients in the workforce reported that prior authorization had interfered with a patient’s job responsibilities. In fact, more than one-third (34%) of physicians reported that prior authorization led to a serious adverse event, such as hospitalization, disability or even death, for a patient in their care. Also, more than nine in 10 physicians (93%) reported care delays while waiting for health insurers to authorize necessary care, and more than four in five physicians (82%) said patients abandon treatment due to authorization struggles with health insurers.

The findings of the AMA survey illustrate a critical need to streamline prior authorization requirements to minimize delays or disruptions in care delivery. Health plans agreed to make a series of improvements (PDF) to the prior authorization process several years ago but despite harmful consequences of delayed or disrupted care, most health plans are not making meaningful progress on reforms.

“Now is the time for employers to demand transparency from health plans on the growing impact of prior authorization programs on the health of their workforce,” said Dr. Harmon.

To help employers—the nation’s largest purchasers of health insurance—choose the right health plan to provide coverage for their workforce, the AMA offers the following recommendations:

- **Ask health insurance plans questions** during the next benefit contracting season. The AMA offers employers a list of questions (PDF) to ask health plans about how their prior authorization requirements may impact employees.
- **Solicit feedback from employees** about their experience with prior authorization. The AMA encourages employers to use a benefit satisfaction survey, anonymous HR complaint line or open engagement with HR representatives.
- **Take action by visiting** [FixPriorAuth.org](https://www.fixpriorauth.org) to learn more. Employers can submit stories and sign the AMA’s reform petition.

The AMA continues to work on every front to streamline prior authorization. Through our research, collaborations, advocacy and leadership, the AMA is working to right-size prior authorization programs so that physicians can focus on patients rather than paperwork. Patients, physicians, and employers can learn more about reform efforts and share their personal experiences with prior authorization at [FixPriorAuth.org](https://www.fixpriorauth.org).

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