1 in 3 doctors has seen prior auth lead to serious adverse event

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While health insurers claim prior-authorization requirements are used for cost and quality control, a vast majority of physicians say authorization protocols lead to unnecessary waste and avoidable patient harm.

One-third of the 1,001 physicians surveyed (PDF) by the AMA in December reported that prior authorization has led to a serious adverse event for a patient in their care.

More specifically, the AMA survey found that these shares of the physician respondents reported that prior authorization led to:

- A patient’s hospitalization—25%.
- A life-threatening event or one that required intervention to prevent permanent impairment or damage—19%.
- A patient’s disability or permanent bodily damage, congenital anomaly or birth defect, or death—9%.

“Health plans continue to inappropriately impose bureaucratic prior authorization policies that conflict with evidence-based clinical practices, waste vital resources, jeopardize quality care, and harm patients,” said AMA President Jack Resneck Jr., MD. “The byzantine system of authorization controls is rife with opportunities for reform, and the AMA continues to work with federal and state officials on legislative solutions to reduce waste, improve efficiency, and protect patients from obstacles to medically necessary care.”

According to the AMA survey, 86% of physicians reported that prior authorization requirements led to greater use of health care resources, resulting in unnecessary waste instead of cost savings. More specifically, about two-thirds of physicians reported resources were diverted to ineffective initial treatments (64%) or additional office visits (62%) due to prior-authorization policies, while 46% of
physicians reported prior-authorization policies led to urgent or emergency care for patients.

The health insurance industry maintains that prior authorization criteria reflect evidence-based medicine, but physician experiences call into question the clinical validity of insurer-created criteria that lack transparency. Only 15% of physicians reported that prior authorization criteria were often or always evidence-based.

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.

Bad outcomes, delayed care

The AMA physician survey also shows that these shares of respondents reported that prior authorization led to:

- Delays in accessing necessary care—94%.
- A negative impact on patient clinical outcomes—89%.
- Patients abandoning treatment—80%.

Of physicians caring for patients in the workforce, 58% said prior authorization led to a negative impact on a patient’s job performance.

In addition, 88% said burdens associated with prior authorization were high or extremely high. This costly administrative burden pulls resources from direct patient care as medical practices complete an average of 45 prior authorizations per physician, per week, which consume the equivalent of almost two business days—14 hours—of physician and staff time.

To keep up with the administrative burden, 35% of physicians reported employing staff members to work exclusively on tasks associated with prior authorization.

Find out more about the sometimes fatal consequences of prior authorization with this in-depth InvestigateTV report that details the tragic case of Kathleen Valentini.
AMA leads charge to fix prior auth

The AMA survey results illustrate a critical need to streamline or eliminate low-value prior authorization requirements to minimize waste, delays, and disruptions in care delivery. The AMA has taken a leading role in advocating prior-authorization reforms and recently submitted comments (PDF) to the Centers for Medicare & Medicaid Service (CMS), largely supporting the agency’s proposals to improve prior authorization.

The AMA supports CMS Administrator Chiquita Brooks-LaSure’s reform proposals and their “focus on the role of payer decision-making and electronic information exchange in the prior authorization process,” said Dr. Resneck. “CMS has proposed two sets of rules on prior authorization, and as in comments [PDF] on the initial rule, the AMA continues to applaud the administrator for acknowledging patient and physician concerns in both sets of proposed rules.”

Editor’s note: In April, CMS issued a new final rule. While the AMA’s experts are continuing to analyze the rule, Dr. Resneck said in a statement that “an initial read suggests” the agency “has taken important steps toward rightsizing the prior-authorization process imposed by Medicare Advantage plans on medical services and procedures.”

Patients, physicians and employers can learn more about reform efforts and share personal experiences with prior authorization at FixPriorAuth.org.

URL: https://www.ama-assn.org/practice-management/prior-authorization/1-3-doctors-has-seen-prior-auth-lead-serious-adverse-event
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