Prior authorization (PA) is a process requiring health care providers (physicians, pharmacists, medical groups and hospitals) to obtain advance approval from health plans before a prescription medication or medical service is delivered to the patient. While health plans and benefit managers contend that PA programs are important to control costs, providers often find these programs to be burdensome and barriers to the delivery of necessary patient care.

To reduce administrative burdens and promote access to safe, timely care, the American Medical Association, along with the American Hospital Association, America’s Health Insurance Plans, American Pharmacists Association, Blue Cross Blue Shield Association and Medical Group Management Association, released the “Consensus Statement on Improving the Prior Authorization Process” (CS) in January 2018. The CS reflects agreement between health care providers and health plans on key reforms needed to reduce PA hassles and enhance patient-centered care.

In December 2019, the AMA surveyed 1,000 practicing physicians regarding their experience with PA. The survey revealed that PA still poses significant challenges for both physicians and patients. Moreover, the survey results show that although the CS was released nearly two years prior to the fielding of this physician survey, health plans have yet to widely implement these reforms, as detailed in the following charts.

**Selective application of PA**

**CS agreement** Encourage the use of programs that selectively implement PA requirements based on stratification of health care providers’ performance and adherence to evidence-based medicine.

**Survey** Only 7% of physicians report contracting with health plans that offer programs that exempt providers from PA.

**Q:** Do any of the health plans with which you contract offer programs that exempt physicians from PA requirements?

![Survey Results: 7% Yes, 56% No, 37% Don’t know]

**PA program review and volume adjustment**

**CS agreement** Encourage revision of PA requirements, including the list of services subject to PA, based on data analytics and up-to-date clinical criteria.

**Survey** A strong majority (87% and 82%, respectively) of physicians report that the number of PAs required for prescription medications and medical services has increased over the last five years.

![Survey Results: Increased significantly 39%, Increased somewhat 47%, No change 12%, Decreased somewhat or significantly 16%]

**Q:** How has the number of PAs required for prescription medications/medical services used in your patients’ treatment changed over the last five years?

* Percentages sum to 87% and 82%, respectively, due to rounding.
† Percentages do not sum to 100% due to rounding.
Transparency and communication regarding PA

**CS agreement** Encourage transparency and easy accessibility of PA requirements, criteria, rationale and program changes to contracted health care providers and patients/enrollees.

**Survey** Almost seven in 10 (67%) physicians report that it is difficult to determine whether a prescription or medical service requires PA.

Q: How difficult is it for you and/or your staff to determine whether a prescription medication or medical service requires PA?

![Difficulty of determining prescription/medical service requires PA](image)

- Somewhat or extremely difficult: 8%
- Neither difficult nor easy: 22%
- Somewhat or extremely easy: 67%

Continuity of patient care

**CS agreement** Encourage sufficient protections for continuity of care during a transition period for patients undergoing an active course of treatment when there is a formulary or treatment coverage change or change of health plan that may disrupt their current course of treatment.

**Survey** An overwhelming majority (83%) of physicians report that PA interferes with continuity of care.

Q: How often does the PA process interfere with the continuity of ongoing care (e.g., missed doses, interruptions in chronic treatment)?

![Interference of PA with continuity of care](image)

- Sometimes, often or always: 14%
- Rarely: 22%
- Never (1%): 83%
- Don’t know (2%): 8%

Automation to improve transparency and efficiency

**CS agreement** Encourage health care providers, health systems, health plans and pharmacy benefit managers to accelerate use of existing national standard transactions for electronic PA.

**Survey** Physicians report phone and fax as the most commonly used methods for completing PAs. Moreover, only 22% of physicians report that their EHR* system offers electronic PA for prescription medications.

<table>
<thead>
<tr>
<th>Method</th>
<th>Prescription PAs (% use always or often)</th>
<th>Medical service PAs (% use always or often)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phone</td>
<td>59%</td>
<td>64%</td>
</tr>
<tr>
<td>Fax</td>
<td>49%</td>
<td>47%</td>
</tr>
<tr>
<td>EHR/PMS*</td>
<td>42%</td>
<td>25%</td>
</tr>
<tr>
<td>Plan portal</td>
<td>35%</td>
<td>31%</td>
</tr>
<tr>
<td>Email or U.S. mail</td>
<td>18%</td>
<td>19%</td>
</tr>
</tbody>
</table>

* EHR = electronic health record; PMS = practice management system.

Q: Please indicate how often you and/or your staff use each of the following methods to complete PAs for prescription medications/medical services.

To join the AMA’s grassroots PA reform campaign and sign a petition to Congress, visit fixpriorauth.org.

References