Whereas, A prescription drug may require an insurance prior authorization; and

Whereas, Patients on chronic therapy experience a change in the rules during the interval between office visits and this results in extra work for a physician to review forms, medical records, complete paperwork, provide documentation and create an entry in the medical record so that a patient’s therapy not suffer interruption; and

Whereas, The documentation process can be as resource intensive as a patient encounter; and

Whereas, The prior authorization diverts physician time away from direct patient care, thereby diminishing patient access and physician job satisfaction; and

Whereas, Reducing prior authorizations can protect patients from unnecessary delays in care; therefore be it

RESOLVED, That our American Medical Association seek regulation or legislation that:

• restricts insurance companies from requiring prior authorizations for generic medications;

• contains disincentives for insurers demanding unnecessary prior authorizations, including payments to physicians’ practices for inappropriate prior authorizations;

• requires payment be made to the physician practice for services related to prior authorization when those services do not coincide with a visit; and

• ensures a requirement for an independent external review organization to review disputes involving prior authorizations and require insurer payments be made to the practice when the review organization agrees with the physician practice. (Directive to Take Action)

Fiscal Note: Modest - between $1,000 - $5,000

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