

AMERICAN MEDICAL ASSOCIATION PRIVATE PRACTICE PHYSICIAN SECTION

Resolution: 3  
(JUN-22)

Introduced by: Alex Shteynshlyuger, MD

Subject: Prior Authorization – Patient Autonomy

Referred to: PPPS Reference Committee

---

1 WHEREAS, the AMA has previously affirmed that patient autonomy and choice are paramount;  
2 and

3  
4 WHEREAS, Treatment authorization requirements including prior authorizations impede patient  
5 access to care; and

6  
7 WHEREAS, Studies have shown that costs involved in prior authorizations provide perverse  
8 disincentives and lead to sub-optimal healthcare outcomes, especially for marginalized and  
9 economically vulnerable communities; and

10  
11 WHEREAS, No one has a greater stake in getting prior authorization approved than the patient;  
12 and

13  
14 WHEREAS, Patients have real-time access to their full medical records as required by the 21<sup>st</sup>  
15 Century Cures Act and the Health Insurance Portability and Accountability Act and as such  
16 should be given access to an electronic prior authorization system by their health plans with the  
17 ability to initiate and monitor the electronic prior authorization process; and

18  
19 WHEREAS, Patient access to prior authorization empowers patients and puts them in control of  
20 their healthcare, allowing patients to keep health plans and health providers accountable; and

21  
22 WHEREAS, Patients have all the requisite information to submit prior authorization forms and  
23 many patients are very informed about their medical condition and treatment choices and may  
24 prefer doing their own prior authorizations, thus furthering patient autonomy and engaging  
25 patients in their own care; and

26  
27 WHEREAS, Because the health plan coverage is “owned” by the patient, the patient should  
28 have unfettered access to prior electronic authorization and should have a choice whether to  
29 submit a prior authorization independently or delegate the task to their physician; and

30  
31 WHEREAS, Legally, physicians can only submit prior authorization requests with the patient's  
32 consent; therefore be it

33  
34 RESOLVED, That our American Medical Association will advocate that patients should be given  
35 access to an electronic prior authorization system by their health plans with the ability to initiate  
36 and monitor the electronic prior authorization process in any model legislation and as a basis for  
37 all advocacy for prior authorization reforms (Directive to Take Action).

Fiscal Note: Not yet determined

Received: 4/28/2022

## **RELEVANT AMA POLICY**

### **Remuneration for Physician Services (H-385.951)**

1. Our AMA actively supports payment to physicians by contractors and third party payers for physician time and efforts in providing case management and supervisory services, including but not limited to coordination of care and office staff time spent to comply with third party payer protocols.
2. It is AMA policy that insurers pay physicians fair compensation for work associated with prior authorizations, including pre-certifications and prior notifications, that reflects the actual time expended by physicians to comply with insurer requirements and that compensates physicians fully for the legal risks inherent in such work.
3. Our AMA urges insurers to adhere to the AMA's Health Insurer Code of Conduct Principles including specifically that requirements imposed on physicians to obtain prior authorizations, including pre-certifications and prior notifications, must be minimized and streamlined and health insurers must maintain sufficient staff to respond promptly.

Citation: Sub. Res. 814, A-96; Reaffirmed: A-02; Reaffirmed: I-08; Reaffirmed: I-09; Appended: Sub. Res. 126, A-10; Reaffirmed in lieu of: Res. 719, A-11; Reaffirmed in lieu of: Res. 721, A-11; Reaffirmed: A-11; Reaffirmed in lieu of Res. 822, I-11; Reaffirmed in lieu of: Res. 711, A-14; Reaffirmed: Res. 811, I-19

### **Prior Authorization Reform (D-320.982)**

Our AMA will explore emerging technologies to automate the prior authorization process for medical services and evaluate their efficiency and scalability, while advocating for reduction in the overall volume of prior authorization requirements to ensure timely access to medically necessary care for patients and reduce practice administrative burdens.

Citation: Res. 704, A-19

### **11.2.4 Transparency in Health Care**

Respect for patients' autonomy is a cornerstone of medical ethics. Patients must rely on their physicians to provide information that patients would reasonably want to know to make informed, well-considered decisions about their health care. Thus, physicians have an obligation to inform patients about all appropriate treatment options, the risks and benefits of alternatives, and other information that may be pertinent, including the existence of payment models, financial incentives; and formularies, guidelines or other tools that influence treatment recommendations and care. Restrictions on disclosure can impede communication between patient and physician and undermine trust, patient choice, and quality of care.

Although health plans and other entities may have primary responsibility to inform patient-members about plan provisions that will affect the availability of care, physicians share in this responsibility.

Individually, physicians should:

- (a) Disclose any financial and other factors that could affect the patient's care.
  - (b) Disclose relevant treatment alternatives, including those that may not be covered under the patient's health plan.
  - (c) Encourage patients to be aware of the provisions of their health plan.
- Collectively, physicians should advocate that health plans with which they contract disclose to patient-members:
- (d) Plan provisions that limit care, such as formularies or constraints on referrals.
  - (e) Plan provisions for obtaining desired care that would otherwise not be provided, such as provision for off-formulary prescribing.
  - (f) Plan relationships with pharmacy benefit management organizations and other commercial entities that have an interest in physicians' treatment recommendations.

[AMA Principles of Medical Ethics: I,II,III,V,VI](#)

*The Opinions in this chapter are offered as ethics guidance for physicians and are not intended to establish standards of clinical practice or rules of law.*

Citation: Issued: 2016

### **Patient Information and Choice (H-373.998)**

Our AMA supports the following principles:

1. Greater reliance on market forces, with patients empowered with understandable fee/price information and incentives to make prudent choices, and with the medical profession empowered to enforce ethical and clinical standards which continue to place patients' interests first, is clearly a more effective and preferable approach to cost containment than is a government-run, budget-driven, centrally controlled health care system.
2. Individuals should have freedom of choice of physician and/or system of health care delivery. Where the system of care places restrictions on patient choice, such restrictions must be clearly identified to the individual prior to their selection of that system.
3. In order to facilitate cost-conscious, informed market-based decision-making in health care, physicians, hospitals, pharmacies, durable medical equipment suppliers, and other health care providers should be required to make information readily available to consumers on fees/prices charged for frequently provided services, procedures, and products, prior to the provision of such services, procedures, and products. There should be a similar requirement that insurers make available in a standard format to enrollees and prospective enrollees information on the amount of payment provided toward each type of service identified as a covered benefit.
4. Federal and/or state legislation should authorize medical societies to operate programs for the review of patient complaints about fees, services, etc. Such programs would be specifically authorized to arbitrate a fee or portion thereof as appropriate and to mediate voluntary

agreements, and could include the input of the state medical society and the AMA Council on Ethical and Judicial Affairs.

5. Physicians are the patient advocates in the current health system reform debate. Efforts should continue to seek development of a plan that will effectively provide universal access to an affordable and adequate spectrum of health care services, maintain the quality of such services, and preserve patients' freedom to select physicians and/or health plans of their choice.
6. Efforts should continue to vigorously pursue with Congress and the Administration the strengthening of our health care system for the benefit of all patients and physicians by advocating policies that put patients, and the patient/physician relationships, at the forefront.

Citation: BOT Rep. QQ, I-91; Reaffirmed: BOT Rep. TT, I-92; Reaffirmed: Ref. Cmte. A, A-93; Reaffirmed: BOT Rep. UU, A-93; Reaffirmed: CMS Rep. E, A-93; Reaffirmed: CMS Rep. G, A-93; Reaffirmed; Sub. Res. 701, A-93; Sub. Res. 125, A-93; Reaffirmed: A-93; Reaffirmed: BOT Rep. 25, I-93; Reaffirmed: BOT Rep. 40, I-93; Reaffirmed: CMS Rep. 5, I-93; Reaffirmed: CMS Rep. 10, I-93; Reaffirmed: Sub. Res. 107, I-93; Reaffirmed: BOT Rep. 46, A-94; Reaffirmed: Sub Res. 127, A-94; Reaffirmed: Sub. Res. 132, A-94; Reaffirmed: BOT Rep. 16, I-94 BOT Rep. 36, I-94; Reaffirmed: CMS Rep. 8, A-95; Reaffirmed: Sub. Res. 109, A-95; Reaffirmed: Sub. Res. 125, A-95; Reaffirmed: Sub Res. 107, I-95; Reaffirmed: Sub. Res. 109, I-95; Reaffirmed: RCC, A-96; Reaffirmed: A-96; Reaffirmed: I-96; Reaffirmed: A-97; Reaffirmed: RCC, I-97; Reaffirmed: CMS Rep. 3, I-97; Reaffirmed: I-98; Reaffirmed: CMS Rep. 9, A-98; Reaffirmed: A-99; Reaffirmed: A-00; Reaffirmed: I-00; Reaffirmed: A-04; Consolidated and Renumbered: CMS Rep. 7, I-05; Reaffirmed: A-07; Reaffirmed: A-08; Reaffirmed: CMS Rep. 4, A-09; Reaffirmed: CMS Rep. 3, I-09; Reaffirmed: I-14; Reaffirmed: CMS Rep. 4, A-15; Reaffirmed: A-17; Reaffirmed: Res. 108, A-17; Reaffirmed: A-19; Reaffirmed in lieu of: Res 112, A-19