



**American Hospital
Association™**

Advancing Health in America

Prior Authorization and “Gold Card” Processes

National Council of
Insurance Legislators

November 19th, 2021

Overview

- Prior authorization overview
- Current problems
- Advocacy and Recommendations
- Gold Carding



Prior Authorization Overview



- Prior Authorization: Utilization management method requiring claims for services to be reviewed and approved by a health care payer before services are rendered to patients.
- According to America's Health Insurance Plans (AHIP), prior authorization is implemented by health plans to help ensure patients receive optimal care based on well-established evidence of efficacy and safety, while providing benefit to the individual patient.
 - The AHA philosophically agrees with this concept and recognizes that prior authorization, when utilized appropriately and effectively, can accomplish these goals. However, too frequently these programs create significant problems for providers as they try to deliver care.

Problems with Prior Authorization

- (1) Patient Care Delays/Abandonment
- (2) Administrative Burden



Issues with Care Access due to Prior Authorization

- **Slow processing times delay care or lead to abandonment**
 - **2020 AMA Survey:**
 - 94% of physicians reported delays in patient care due to prior authorization.
 - 79% reported that patients sometimes abandon treatment due to prior authorization delays.
 - **COVID-19 Public Health Emergency**
 - Significant Issues with transfers to post-acute care
 - CMS suspended many prior authorizations and [urged](#) Medicare Advantage Organizations to do the same



Administrative Burden: Insurer requirements and submission methods

- **Is prior authorization required for a particular service?**
 - Specific treatments requiring authorization differs between health plans (even those issued by the same insurer).
- **What information/documentation required for approval?**
 - Prior authorization forms and clinical criteria used to evaluate requests varies
- **How should the request and supporting documentation be sent to the payer?**
 - Fax
 - Phone call
 - Portal



Prior Authorization Advocacy

- **Prior Authorization Reform Principles (2017)**
- **Prior Authorization Consensus Statement (2018)**
- **Agency Outreach**
- **Legislative Solutions**



Recommendations

- Standardize process
- Reduce timeframes
- Limit usage to drugs/procedures with high cost or high rate of inappropriate use
- Create pathways to provider exemption



AHA Asks: Standardize

□ Standardize and Automate:

- Format for communicating services subject to prior authorization
- Format for prior authorization requests and responses within workflow
- Appeals processes

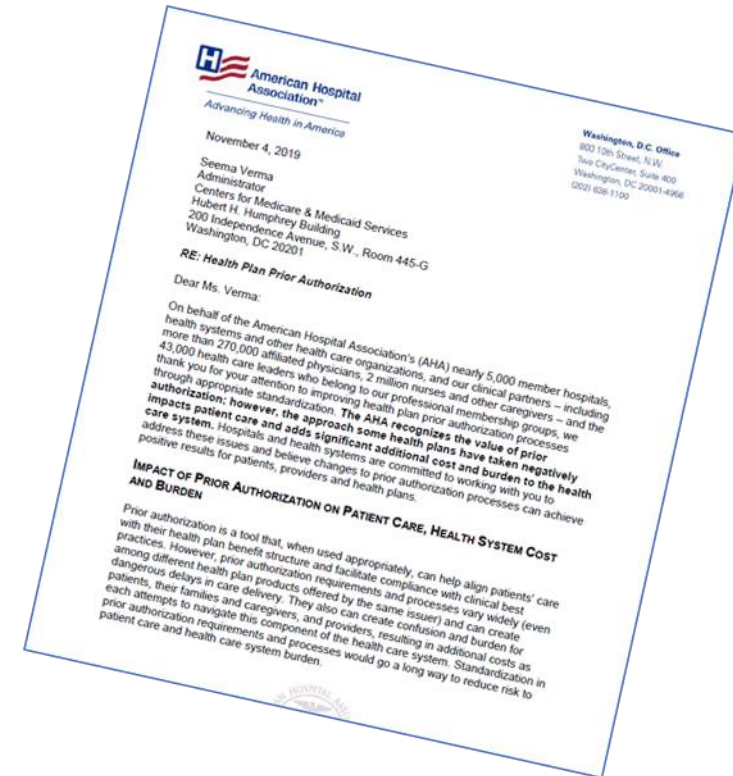
□ CMS Prior Authorization Regulation (proposed Dec. 2020)



AHA Asks: Improve Usage and Timing

Process improvements:

- Track approval/denial rates and eliminate prior authorization on services for which requests are approved over 90% of the time.
- Prior authorization processing 24 hours per day, 7 days per week
- Faster timeline for responses
 - Urgent Care: 24 hours
 - Non-urgent: 48 hours
- Create pathways for provider exemption



Gold-Carding

- Gold-carding: A process that exempts providers with a record of consistent adherence to prior authorization criteria from prior authorization submission requirements
- Promotes more timely access to care by eliminating unnecessary obstacles between patients and treatments.
- Allows health plans to focus prior authorization on providers whose patterns frequently deviate from plan criteria.



Gold-Carding

- Texas Law: First of its kind!
- More forthcoming
 - Additional states considering legislation
 - Improving Seniors Timely Access to Care Act
 - Asks the HHS Secretary to develop regulations that ensure plans adopt prior authorization programs that allow for the **modification of prior authorization requirements based on the performance of such providers and suppliers with respect to adherence to evidence-based medical guidelines and other quality criteria**”



Questions?

