

Prior Authorization Physician Perspective

NCOIL | Health
Insurance & Long
Term Care Issues
Committee

November 17, 2022



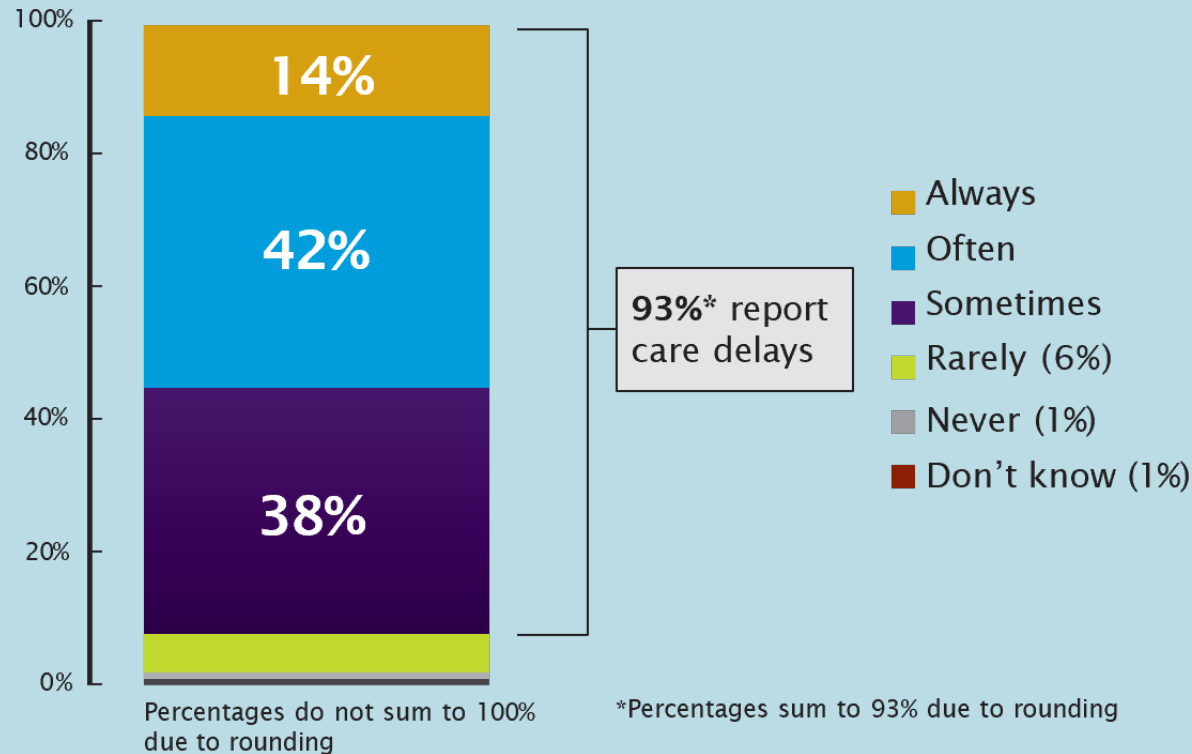
**LOUISIANA STATE
MEDICAL SOCIETY**



Process Hurts Patients

Care delays associated with PA

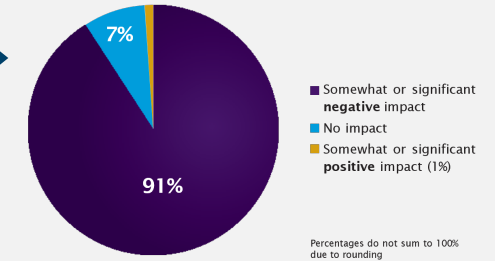
Q: For those patients whose treatment requires PA, how often does this process delay access to necessary care?



91% of physicians report prior authorization has had a somewhat or significant impact on their patients' clinical outcomes.

Impact of PA on clinical outcomes

Q: For those patients whose treatment requires PA, what is your perception of the overall impact of this process on patient clinical outcomes?



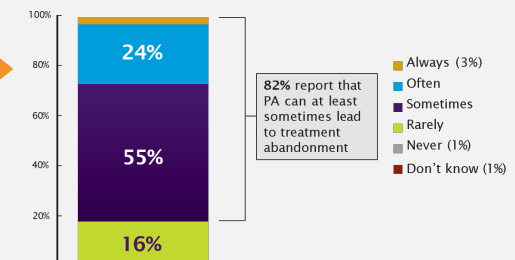
34% of physicians report that PA has led to a **serious adverse event** for a patient in their care.

Source: 2021 AMA Prior Authorization Physician Survey

Available at: <https://www.ama-assn.org/system/files/prior-authorization-survey.pdf>

82% of physicians report that prior authorization can lead to treatment abandonment.

Abandoned treatment associated with PA
Q: How often do issues related to the PA process lead to patients abandoning their recommended course of treatment?



Impact on Physicians & their practice

October 2022 *Physicians Foundation* survey:

- 85% report administrative burdens, such as EHRs and prior approval as top 4 challenge
- 93% identify simplifying prior authorization as an action that would help ensure high-quality, cost-efficient care

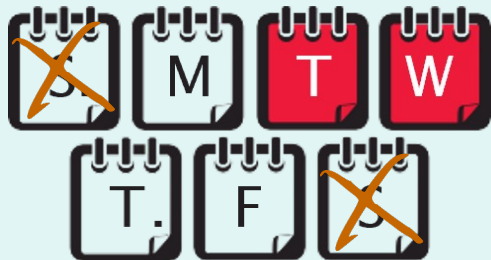
On average, practices complete

41

PAs per physician, per week

(Survey question "B.")

Physicians and their staff spend an average of



almost two business days (13 hours) each week completing PAs

(Survey question "C.")



Two in five or
40%

of physicians have staff who work exclusively on PA

(Survey question "D.")

88%

of physicians describe the burden associated with PA as high or extremely high

(Survey question "E.")

Consensus Statement on Improving the Prior Authorization Process

- Released in **January 2018** by the AMA, American Hospital Association, America's Health Insurance Plans, American Pharmacists Association, Blue Cross Blue Shield Association, and Medical Group Management Association
- Five reform categories addressed:
 - Selective application of PA
 - PA program review and volume adjustment
 - Transparency and communication regarding PA
 - Continuity of patient care
 - Automation to improve transparency and efficiency



Following the Consensus Statement, Progress Has Been Sluggish

Source: 2021 Update:
Measuring progress in
improving prior
authorization.

Available at:
<https://www.ama-assn.org/system/files/prior-authorization-reform-progress-update.pdf>

84% of physicians report that the number of medical service PAs required has increased over the last five years.

Only 9% of physicians report contracting with health plans that offer programs that exempt providers from PA.

65% of physicians report that it is difficult to determine whether a prescription medication requires PA.

88% of physicians report that PA interferes with continuity of patient care.

Only 26% of physicians report that their EHR system offers electronic PA for prescription medications; phone is still the most common method.



2022 Louisiana Legislation

Act 432 (SB 112) by Sen. Robert Mills

- Original bill
 - Paralleled Texas “gold card” bill
 - Exception = 80% approval rate by provider (*annual review to rescind exemption by peer with IDR available*)
 - Guarantee of payment (*with limited exceptions*) once approved & a timely pay provision
 - Pharmaceuticals included
 - Medicaid and OGB not included
- Amended to require insurance companies to develop their own prior authorization relief program which must be filed with LDI by July 1, 2023.
 - Pharmaceuticals excluded

2023 and beyond for LSMS



**Watching
Texas Rule
Making**



**Following
Federal
Legislation &
Rulemaking**



**Waiting for
July 2023 LDI
Filings**



**Follow Up
Legislation
Discussion in
January**

Thank you!



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