POLICY PRIORITY:

Oppose lengthy and burdensome prior authorization requirements

Patients with chronic disorders need the same medicine for long periods of time, often a lifetime. Requiring their medication to be pre- approved multiple times a year, through a lengthy and arcane process, creates unnecessary burdens for doctors and causes unnecessary delays for patients.

BACKGROUND:

Prior authorization, also known as preauthorization, prior approval, or precertification, is a cost-containment process implemented by health insurers to determine whether they will approve coverage for a treatment plan or prescription drug. If the insurer denies approval,but the patient wishes to follow their doctor's treatment protocol, the patient will have to pay for the treatment or procedure out-of-pocket.

Insurers originally argued that prior authorization requirements were needed to discourage doctors from prescribing new, pricy brand-name medications in place of cheaper, equally effective alternatives. But in recent years, health plans have expanded the scope and frequency of their prior authorization requirements far beyond those boundaries. Insurers now commonly require repeat prior authorization for most expensive medicines, and even for generic medications for which no cheaper effective alternatives exist.[i] The American Medical Association believes that "prior authorization requests is overused and existing processes present significant administrative and clinical concerns."[ii]

- More than 90% of respondents to an AMA survey of practicing physicians said prior authorization requirements had a negative clinical impact, "with 28 percent reporting that prior authorization had led to a serious adverse event."[iii]
- The National Patient Advocate Foundation finds that prior authorization can impede patient access to appropriate care, harm the patient, and undermine the physician-patient relationship.[iv]
- Prior authorization can delay patient access to therapy – and those delays may disproportionately affect patients from underserved communities.[v]
- 86% of doctors surveyed by the AMA described the administrative burden associated with prior authorization as "high or extremely high.[vi] Another study found that doctors spend on average nearly 15 hours/week on prior authorization paperwork.[vii]
- Prior authorization requests are ultimately approved more than 80% of the time – raising concerns that the real, unstated purpose of prior authorization requirements is to discourage prescribing, regardless of the cost to patient health.[viii]

IMPACT:

Prior authorization requirements can delay patient access to medication, leading to excess bleeds and serious health complications for people with bleeding disorders. The result: higher costs, more suffering, and worse health. The human toll is high (pain, missed school or work, and potentially permanent joint damage or worse). Overall health system spending increases, too, due to additional clinic visits, extra medication usage, and avoidable hospital stays.

People with bleeding disorders cannot afford such disruptions to therapy. To assure proper and timely care, those with bleeding disorders need a speedier, more efficient, standardized preauthorization process. And to maintain continuity of care, people with bleeding disorders should not be required to obtain frequently recurring prior authorizations for the products that they routinely take to prevent or control bleeding.

WHAT IS BEING DONE TO ADDRESS PRIOR AUTHORIZATION PROBLEMS:

HFA supports state and federal initiatives to standardize prior authorization forms and procedures, and to impose appropriate deadlines for action on prior authorization requests. To this end, HFA advocates for:

- Standardized, streamlined prior authorization forms and submission processes
- Requiring insurers to provide for electronic submission of preauthorization forms
- Requiring insurers to respond to non-urgent prior authorization requests within 48-72 hours (shorter time frame for emergency requests)
- Protecting continuity of care by requiring that approvals for maintenance medications remain valid for 180 days or longer.

A growing number of states have adopted prior authorization guardrails. As of September 2020, eleven states have required health plans to respond to prior authorization requests within 48 hours from submission of the request. Seventeen states have adopted standard prior authorization forms. Sixteen states require the use of standard electronic prior authorization processes.[ix]

Bipartisan federal legislation introduced in the 116th Congress would have required Medicare Advantage plans to streamline and standardize prior authorization processes.[x] In December 2020, the U.S. Centers for Medicare and Medicaid Services adopted a federal rule that is supposed to make prior authorization decisions faster and more transparent.[xi] The rule, which applies to most ACA health plans, takes effect January 1, 2023.

WHAT CAN YOU DO?

- **Be proactive! Check your insurance plan to see if any of your medications require prior authorization. Work with your doctor to ensure they are seeking prior authorization with your insurance company. Start the process early to allow time for the prior authorization to be processed.**
- **If prior authorization requirements are delaying or blocking your access to medications or treatment, please let HFA know at Project CALLS. Your story can help HFA educate lawmakers and advocate for policy changes that will benefit the bleeding disorders community.**

Resources:

- AMA Prior Authorization Reform Resources
- HFA's Project CALLS

[i] Resneck JS. Refocusing Medication Prior Authorization on Its Intended Purpose. *JAMA.* 2020;323(8):703–704. doi:10.1001/jama.2019.21428
[ii] AMA, "Prior Authorization Research & Reports," https://www.ama-assn.org/practice-management/sustainability/prior-authorization-research-reports.
[iii] Ibid
[iv] National Patient Advocate Foundation, Policy Principles, 2014 http://www.npaf.org/files/NPAF%202014%20FINAL%20POLICIES%20PRINCIPLES_1.pdf.
[v] Mitchell Psotka et al., "Streamlining and Reimagining Prior Authorization Under Value-Based Contracts," Cardiovascular Quality and Outcomes (July 2020), https://doi.org/10.1161/CIRCOUTCOMES.120.006564.
[vi] https://www.ama-assn.org/practice-management/sustainability/1-4-doctors-say-prior-authorization-has-led-serious-adverse
[vii] Medical Society of Virginia, "Prior Authorization & Step Therapy," https://www.msv.org/priorauth.
[viii] Brian Barnett, "Who's choosing Americans' medications – doctors or insurers? The bane of prior authorization," STAT News (Jan. 1, 2021), https://bit.ly/3lViDVl.
[ix] American Academy of Family Physicians, "Prior Authorization and Step Therapy," https://www.aafp.org/dam/AAFP/documents/advocacy/legal/administrative/BKG-PriorAuthorization.pdf.
[x] https://www.ama-assn.org/press-center/press-releases/insurer-inaction-prior-authorization-reform-requires-federal-response.
[xi] https://www.cms.gov/newsroom/fact-sheets/reducing-provider-and-patient-burden-improving-prior-authorization-processes-and-promoting-patients.