



Enhancing ePrior Authorization – is Multi-Stakeholder Win-Win Possible?

Ken Kleinberg, MA, FHIMSS

Practice Lead, Innovative Technologies

Prior Authorization – Simple in Principle, Complex in Practice

PROVIDER



I am going to order this and see you require this information, so here it is

Here's that additional detail

How do I know if a PA is required?

What do I need to send them?

How long can I wait?

Why was this OK with the last patient but not this patient?

Why are they requiring me to try something I know won't work?

How much will they pay?

PAYER



I need a bit more information

OK, approved

Why is this treatment necessary?

Why didn't they check our formulary?

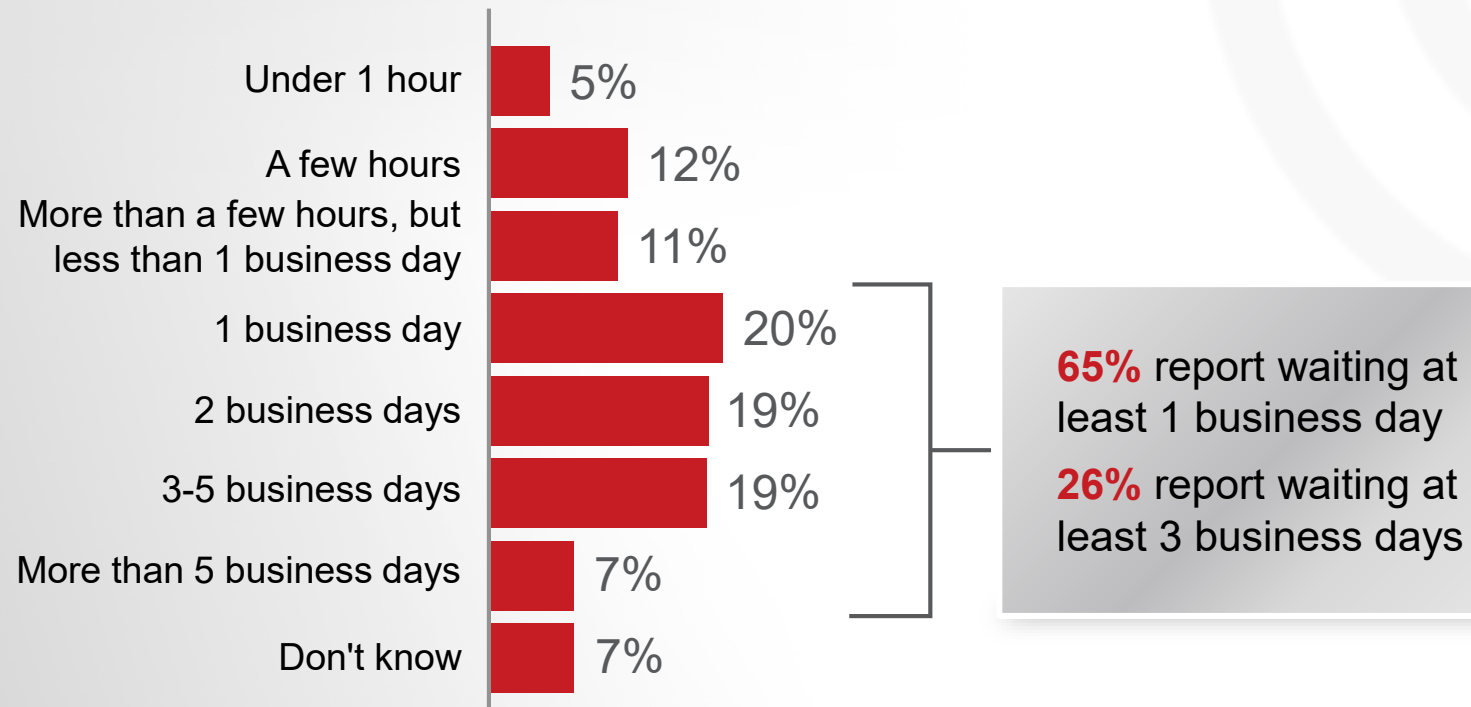
Why didn't they try these less expensive approaches first?

Where is this treatment going to occur?

How long are they going to administer this therapy?

Average Wait Time for PA Responses

In the last week, how long on average did you and your staff need to wait for a PA decision from health plans?



Source: AMA Survey on Average Wait Time for PA Responses for Prescription and Medical Services

Prior Authorization Of Drugs, Devices, Procedures, and Services Under Different Benefits



Pharmacy Benefit

Electronic PA is
Usually
Fast and Efficient



Medical Benefit

Often-used Manual PA is Time Consuming
and Burdensome – Major “Friction”



Drugs

Covered Under Pharmacy and
Medical Benefit



Devices

Pacemakers
Infusion Pumps
Blood Glucose Monitors
Nebulizers



Procedures

Pacemakers
Infusion Pumps
Blood Glucose Monitors
Nebulizers



Services

Behavioral Health
Physical Therapy

*Submitting separate
approval requests and
making separate decisions
for medications and new
and evolving monitoring
devices and services that
support them is less than
optimal when considering
the whole patient.*

Reasons for Payers to Require a PA

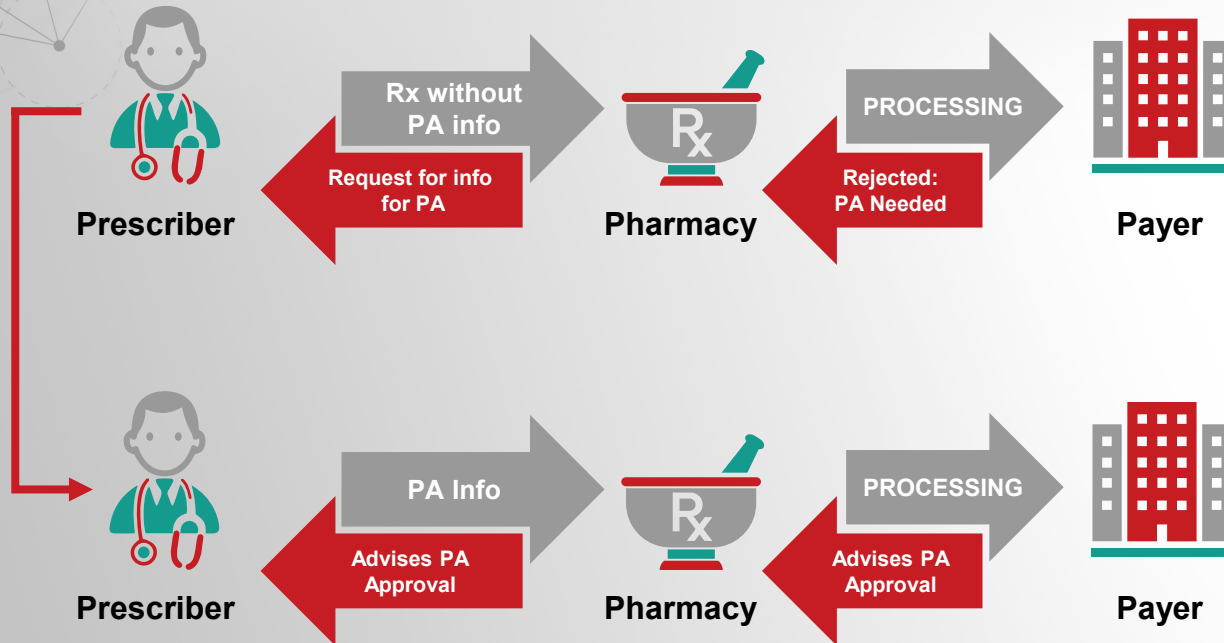
- *Is the medication, procedure, or device medically necessary?*
- *Should other approaches have been tried first?*
- *Are there lower cost alternatives (e.g., generics)?*
- *Is the treatment for cosmetic reasons?*
- *Is the treatment for lifestyle reasons?*
- *Is the dose especially high or the duration particularly long?*
- *Does the medication have potentially dangerous side effects?*
- *Are safety assurances needed about how, where, and by whom the treatment is administered?*

There are many reasons for payers to require PAs to keep healthcare costs in check, and these reasons are not going away anytime soon.

Retrospective VS Prospective

RETROSPECTIVE PA

Without PA Info at Time of Prescribing



PROSPECTIVE PA

With PA Info at Time of Prescribing



Delays in time-to-therapy on the pharmacy side are unacceptable because medications don't get dispensed until they're approved. On the specialty pharmacy and medical side, it is not uncommon for a procedure to be administered or a device given out, and then the provider seeks to get paid. Having a more prospective ePA process will help all stakeholders make more timely and accurate decisions, which speeds time to therapy and reduces costs.

Who Knows Best about Drugs



Physician



Pharmacist



Patient

Pluses



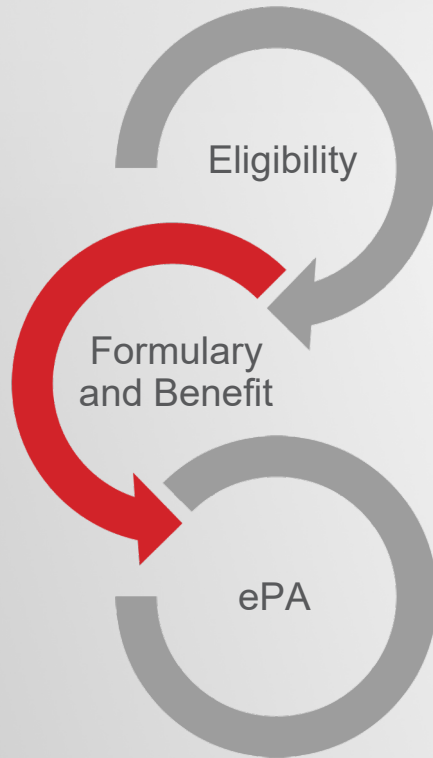
Challenges



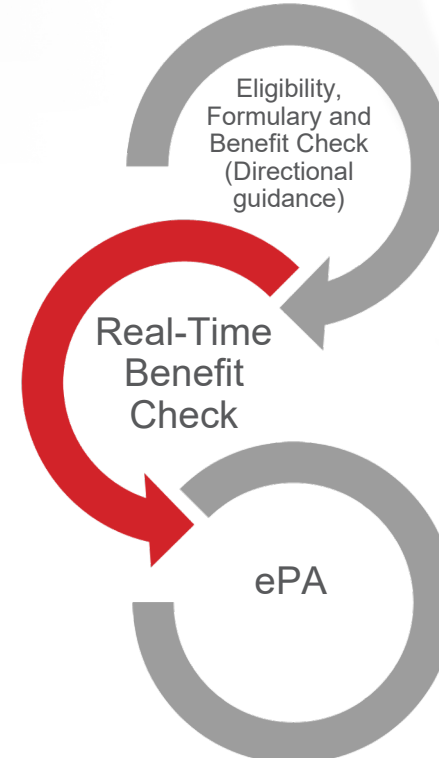
Drugs, Formularies,
Interactions, Costs, Payers,
Codes...

ePrescribing Process Workflow

Traditional eRx Workflow



Revised eRx Workflow with RTBC



Market Drivers for ePA



More Specialty Meds

The potential power of specialty meds to address some of the most debilitating, common, and costly conditions is bringing attention to how they can be approved more rapidly.



Greater Opioid Abuse



Need for ePA



Move To Value-based Care



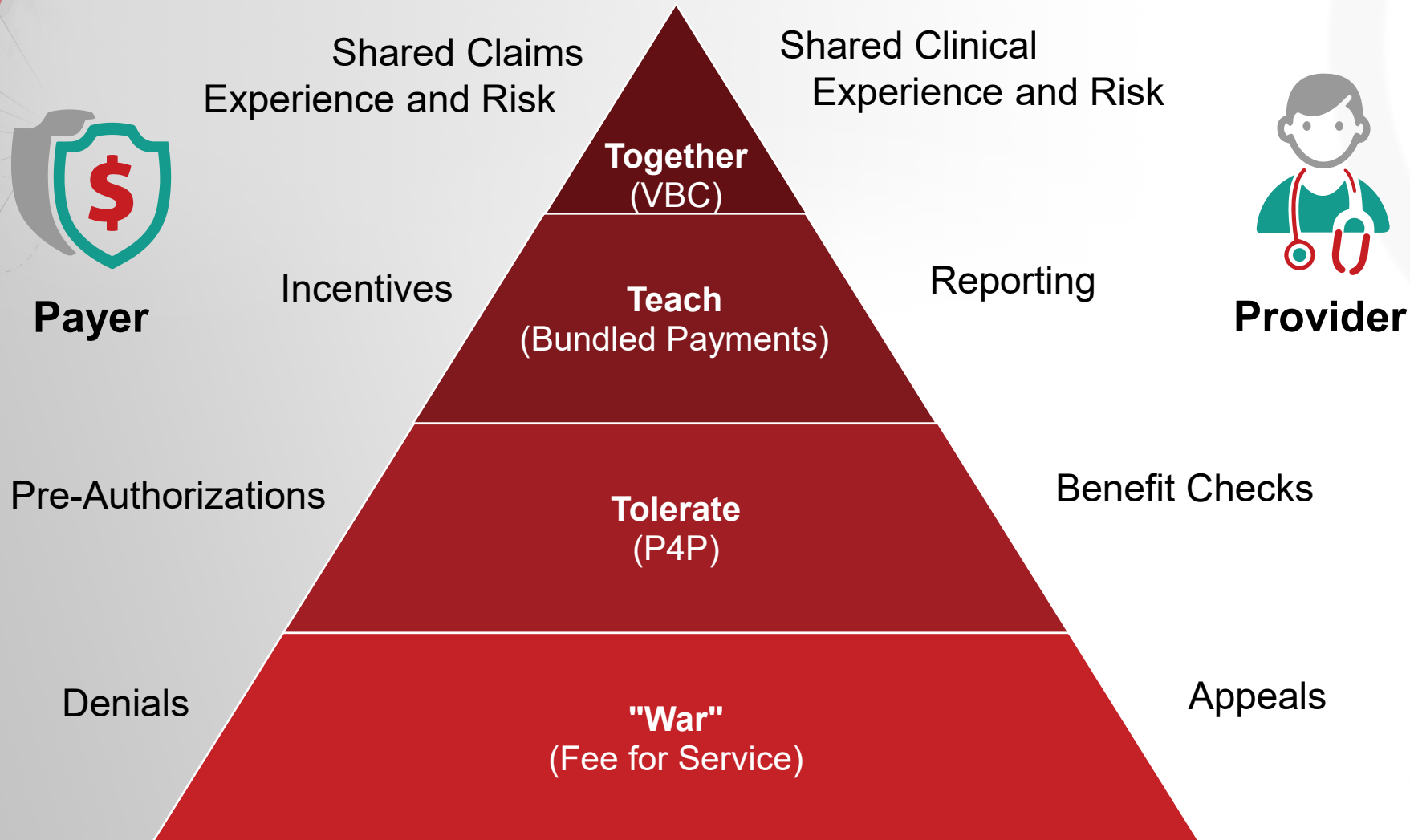
Dovetail With Real-time Benefit Check

After decades of struggle, the healthcare industry is finally arriving at a point where clinical data are becoming readily available to combine with claims data and additional sources - and great timing, as analytics and AI/ML are just starting to hit their inflection point.



New Analytics and Algorithms

Payer Provider Convergence



There are many reasons for and against adoption of ePA by payers and providers. A goal is to have both sides ratchet up their support in a win-win scenario rather than require one side or the other to make the investment and be left hanging by the other.

Organizations Convened by the eHealth Initiative

Stakeholders

American Academy of Family Physicians (AAFP) • America's Health Insurance Plans (AHIP)
American College of Cardiology (ACC) • American College of Radiology (ACR)
American Heart Association (AHA) • Automated Clinical Guidelines • CAQH • Change Healthcare
Delaware Health Information Network (DHIN) • DirectTrust • EnableCare, LLC • eHealth Initiative
eviCore Healthcare • GE Healthcare • Haven Health Solutions • Highmark
Health Level Seven International (HL7) • Kaiser Permanente • Marshfield Clinic Medical Society of Delaware
Medical Group Management Association (MGMA) • National Alliance of Healthcare Purchaser Coalitions
Office of the National Coordinator for Health Information Technology (ONC) • Point-Of-Care Partners
Stratametrics, LLC • UnitedHealthcare • Virence Health • Workgroup for Electronic Data Interchange (WEDI)

Key Technical Capabilities of an ePA Solution



**DATABASE AND
FILE INFORMATION**
(many shared between
payer and provider)



EDI/INTEROPERABILITY



WORKFLOW/TASKING



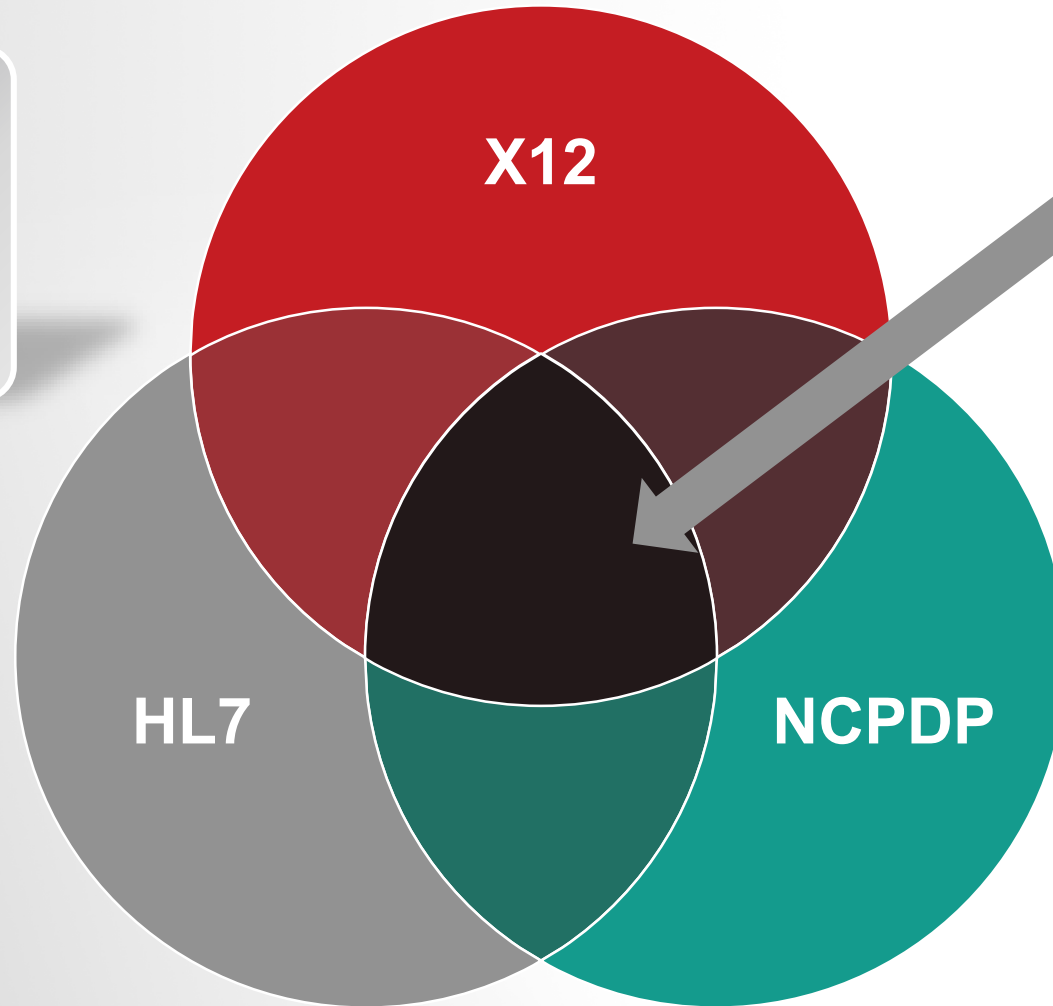
COMMUNICATIONS



**DASHBOARDS,
REPORTING, ANALYTICS**

Prior Authorization Standards Landscape (Wait for It...)

The HIPAA standard for ePA has become as much a hinderance as a help to ePA, certainly not what its developers aimed for.

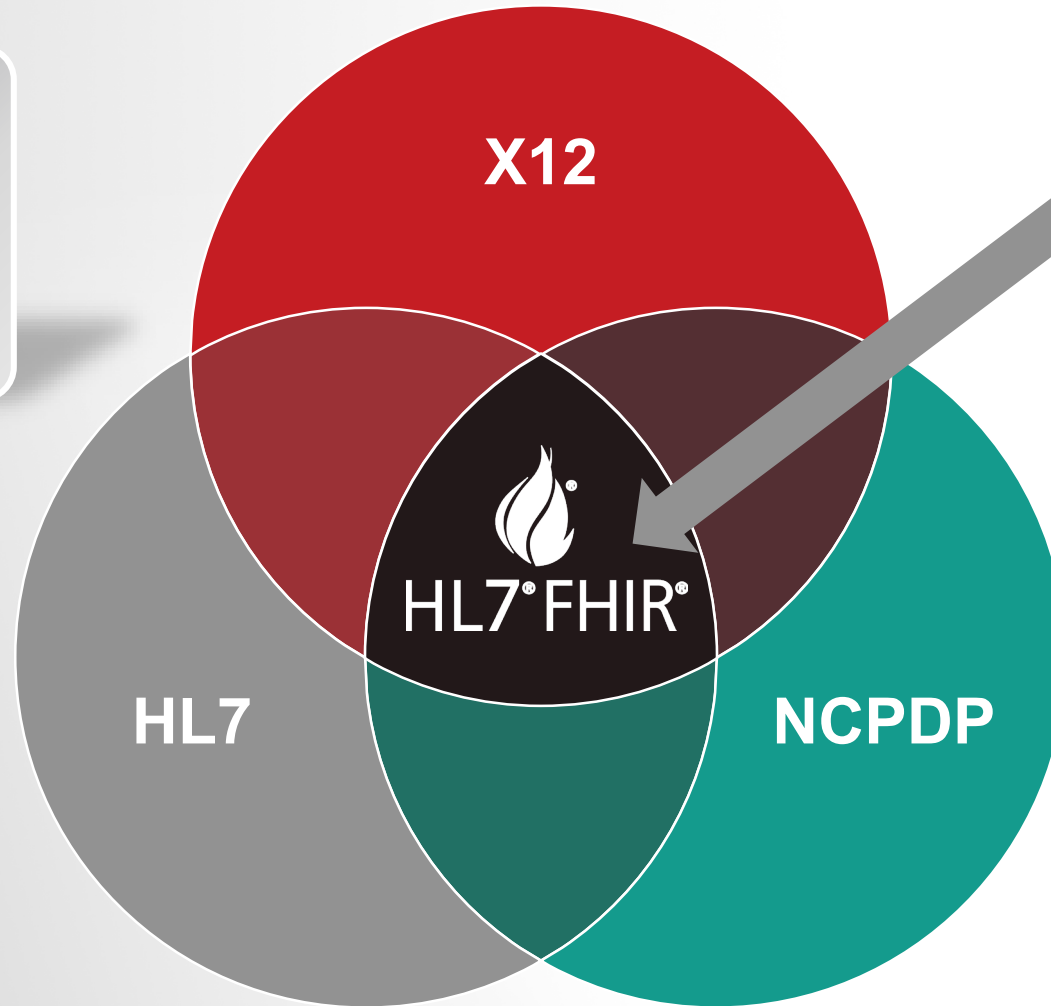


What Goes Here?

The primary reason that drugs covered under the pharmacy benefit are more automated than ePA for medical devices, services, and procedures is that payers and other stakeholders in pharmacy have been willing to use an alternative transaction.

Prior Authorization Standards Landscape

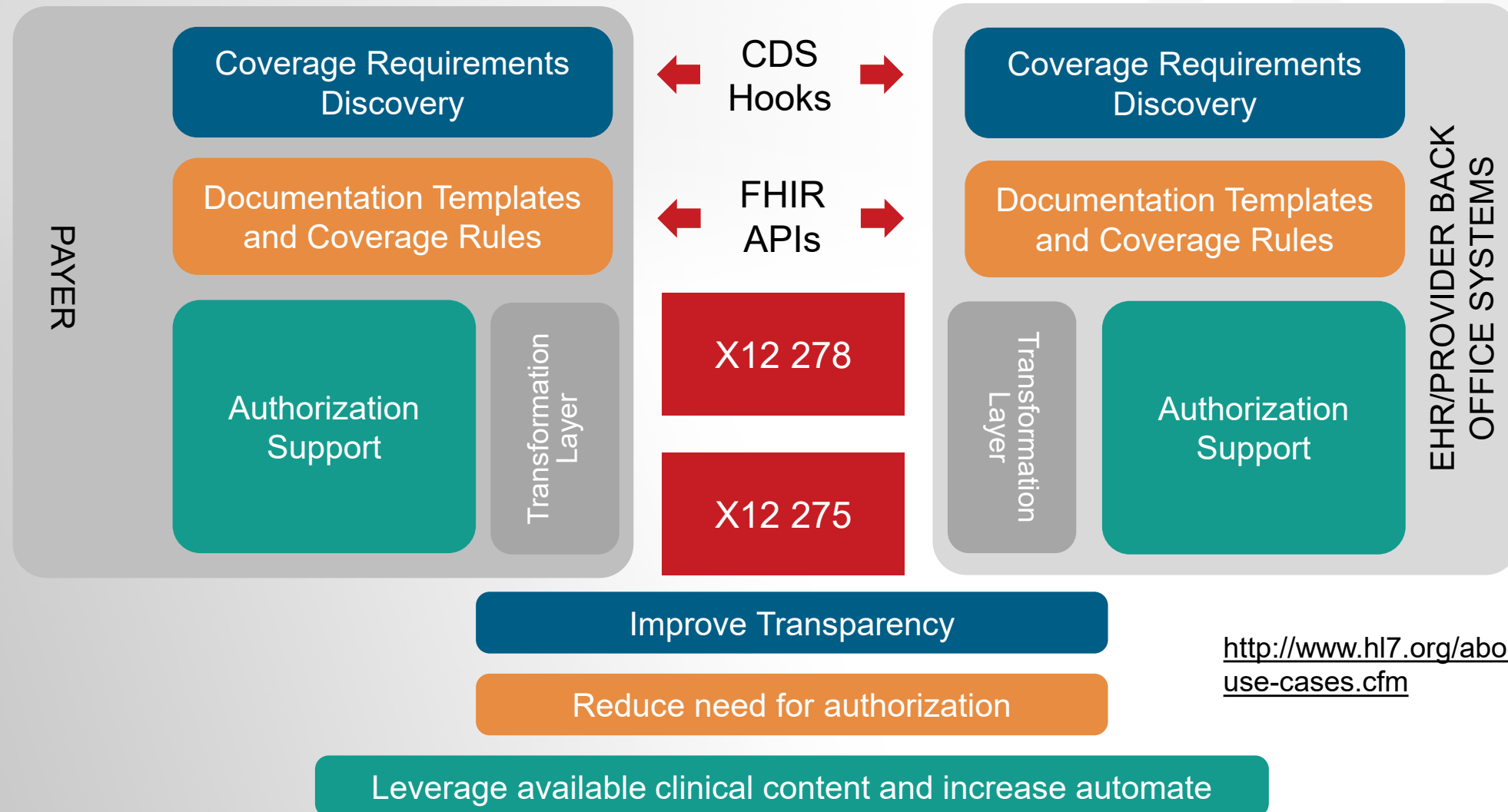
The HIPAA standard for ePA has become as much a hinderance as a help to ePA, certainly not what its developers aimed for.



FHIR is starting to provide a key, missing piece of the ePA adoption puzzle - the ability to extract the right information out of EHRs so physicians and their staff don't have to locate and rekey that information into payers' question sets.

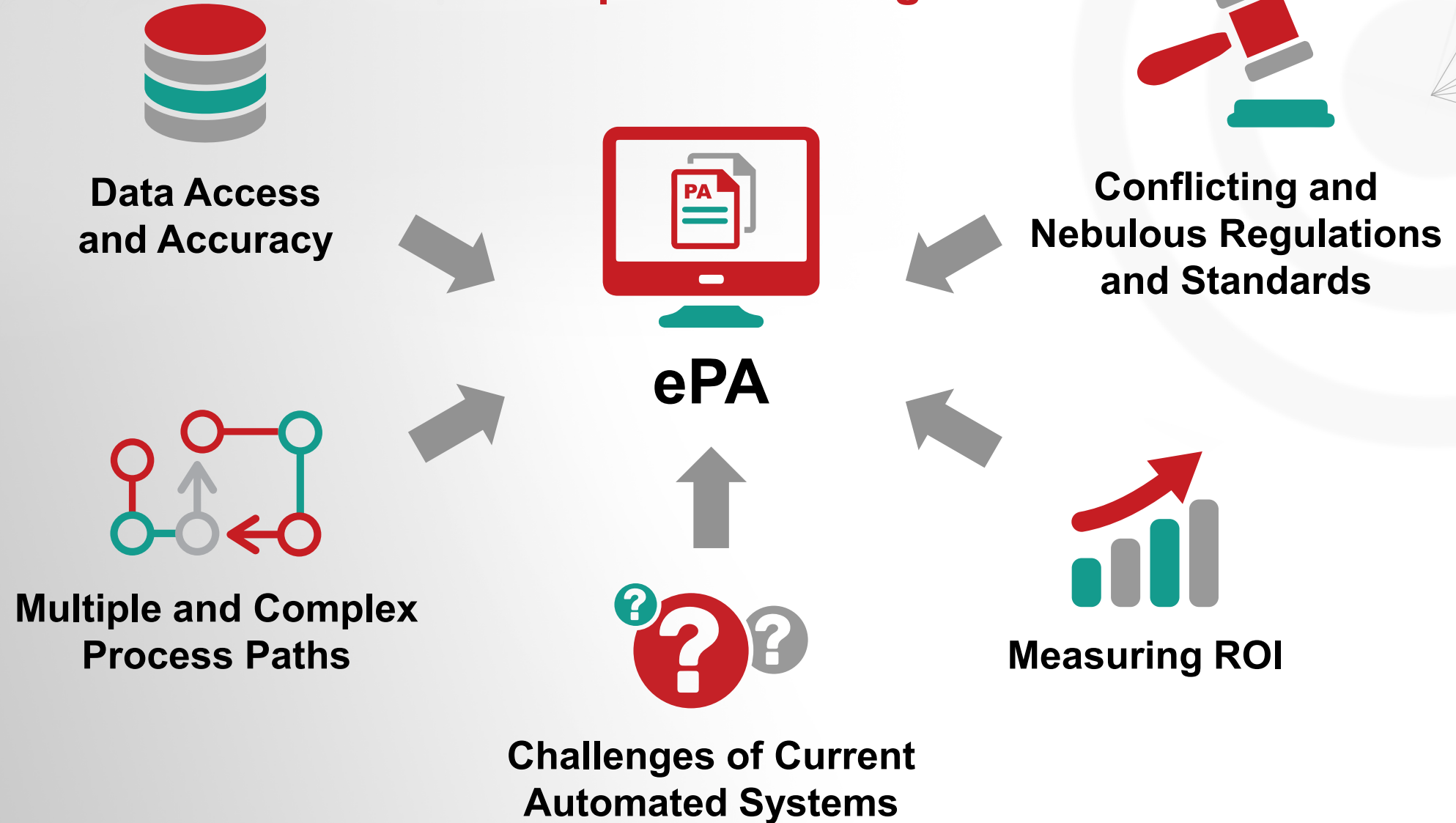
The primary reason that drugs covered under the pharmacy benefit are more automated than ePA for medical devices, services, and procedures is that payers and other stakeholders in pharmacy have been willing to use an alternative transaction.

Power to Reduce, Inform and Delegate Prior Authorization



<http://www.hl7.org/about/davinci/use-cases.cfm>

ePA Adoption Challenges





Data Accuracy and ePA

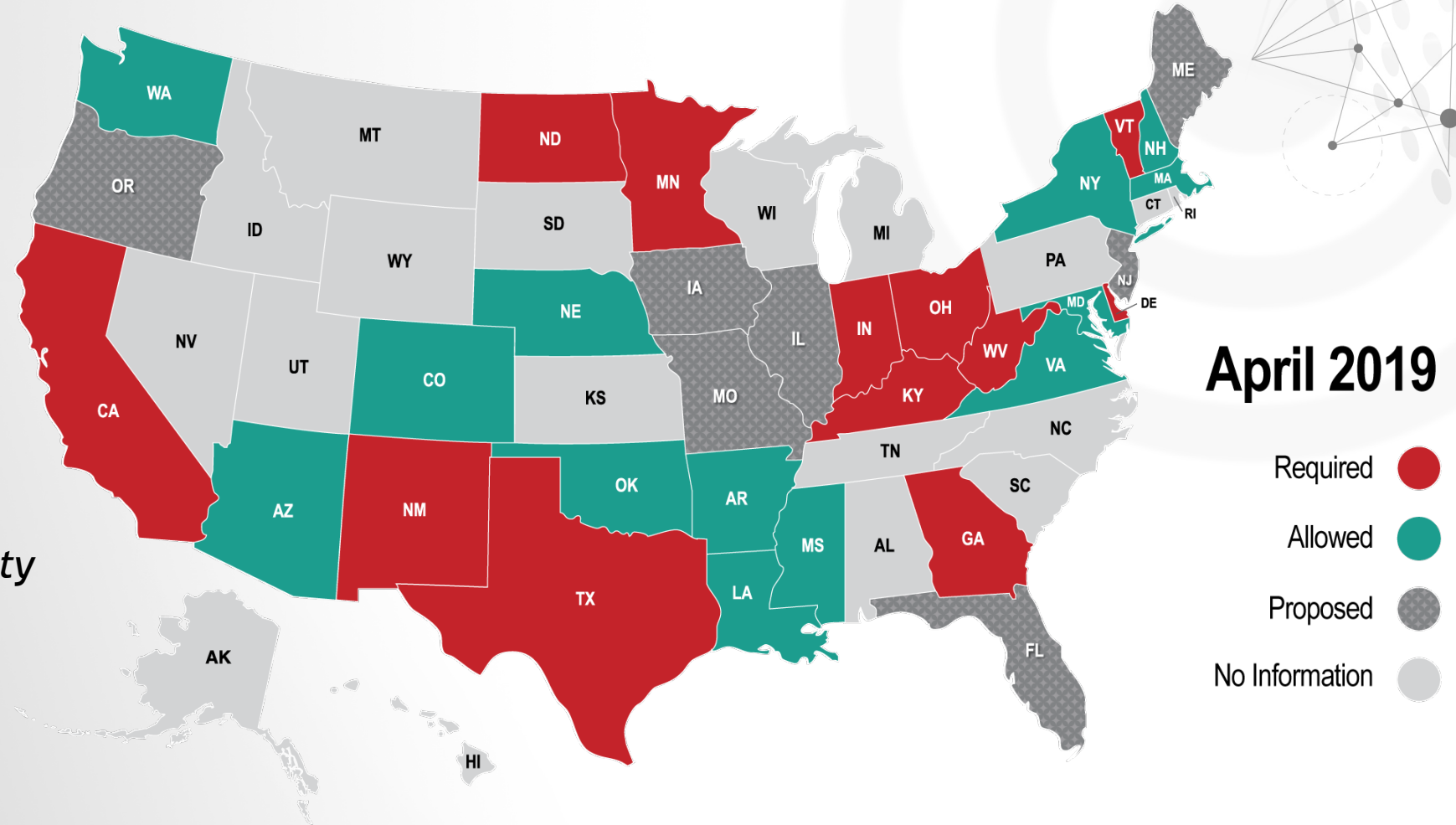
The best data access, transaction standards, and processes will be for naught if the data that ePA decisions are based on are not accurate and complete.

The majority of pharmacy ePA transactions follow a retrospective workflow because, too often, physicians don't know if a PA is required before making a decision to prescribe. Formulary data supplied by payers often have missing or inaccurate PA flags, which lead to lack of physician trust.

Regulatory Trend: Pharmacy Electronic Prior Authorization

Rx ePA specified in
11 states
Require payers to support
ePA

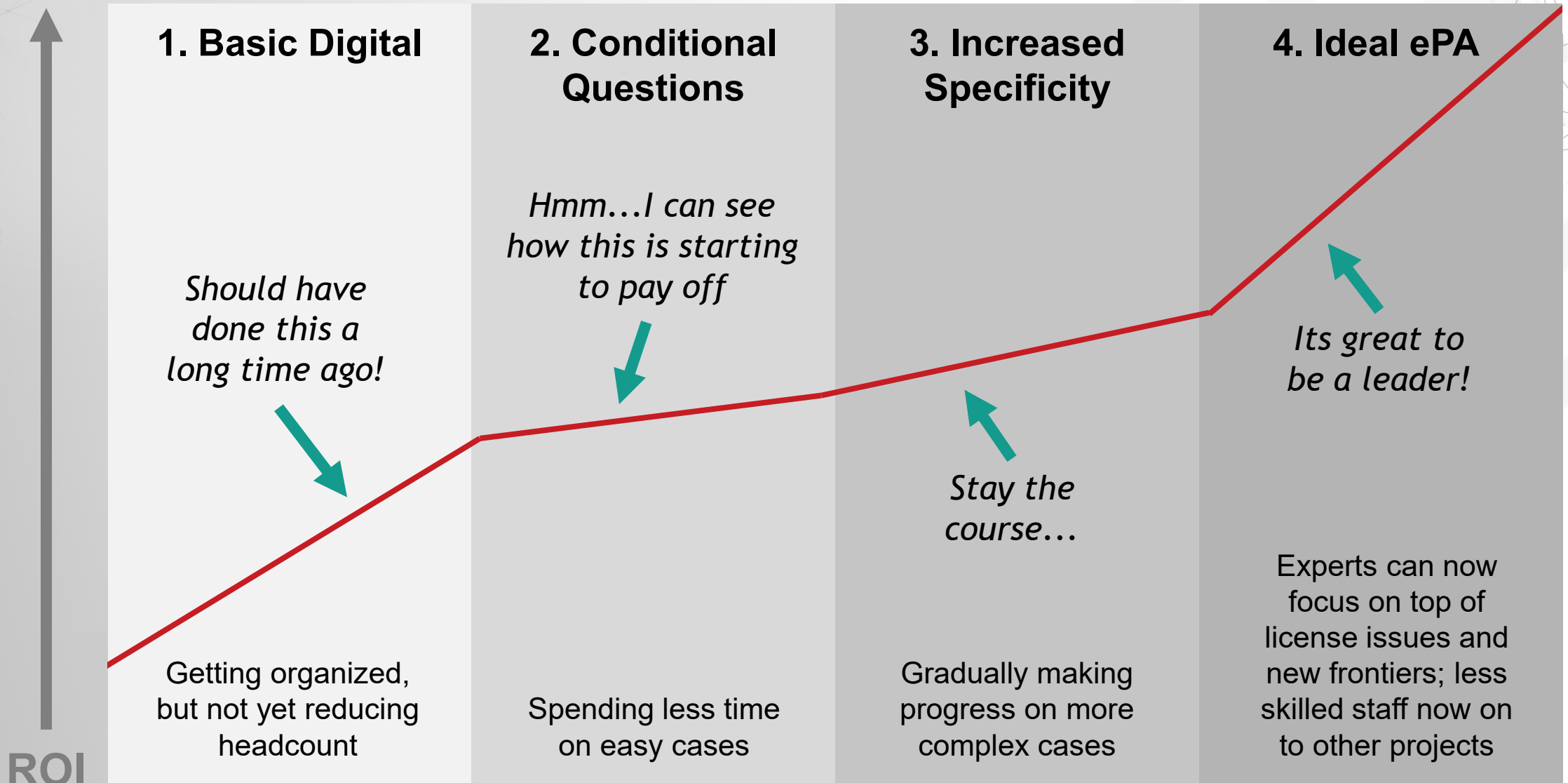
*Renewed focus on
Medical PA - specialty
medications*



Metrics from the Perspective of Multiple Stakeholders

Metric	Payer Considerations (examples)	Provider Considerations
Volume of requested PAs	Are providers moving to more specialty medications or expensive/complex treatments?	Are payers becoming overly restrictive?
Spikes in certain types of medications	Are new groups of drugs providing effective?	Are we innovative?
Abandonment rates	Are PAs doing their job and filtering out unnecessary care? Is the process too onerous?	Do we have the right resources and data systems to support PAs?
Number of attachments sent	Should we be more explicit early on with our requirements?	Can our system automatically send what is needed in electronic format?
Number of appeals	Are we eventually approving the PA	Is this a waste of time and effort?

ROI Moving Through the Four ePA Stages



ePA Solution Ecosystem

(Representative Vendors in Their Primary Segment*)

PBM

Cigna/Express Scripts
CVS Caremark
MedImpact
(2 more)



INTERMEDIARIES

AssistRx
CoverMyMeds
ExpressScripts/eviCore
(11 more)



EHR

Allscripts
Cerner
Epic
(6 more)



PAYER, UM

Agadia
Cognizant/Trizetto
CVS/Novlogix
(3 more)



RCM

Availity
Infinix
(1 more)



CLINICAL CONTENT

Change/InterQual
Wolters Kluwer
(1 more)




ePRESCRIBING NETWORK

Allscripts/Veradigm
DrFirst
Surescripts
(2 more)

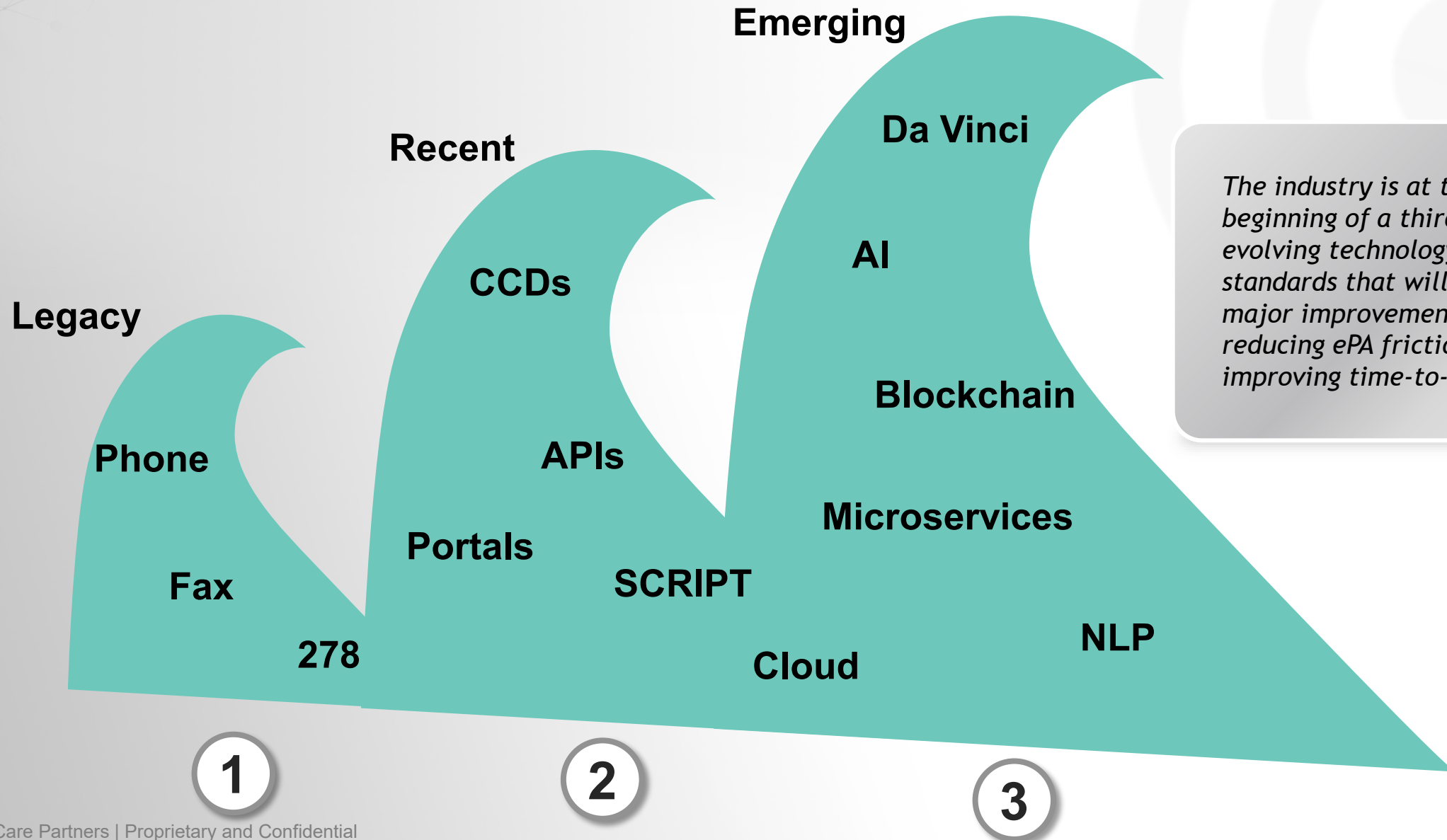


*Vendors Can Play in Multiple Segments

Toward a More Seamless Future

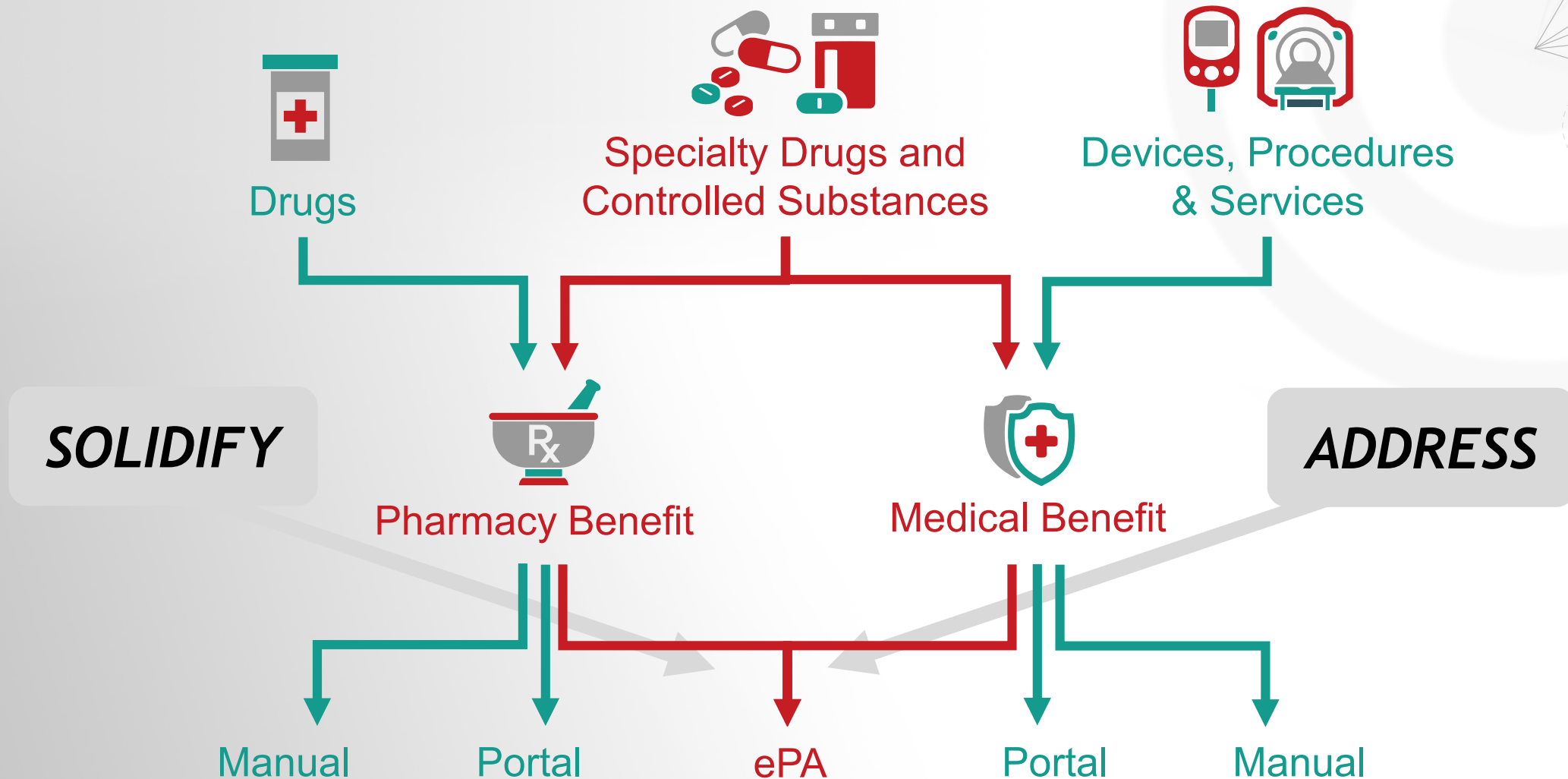
	Old 	New
Location	Back-Office	Front-Office
Data Access and Processing	Batch	Real-time
Care Scope	Single episode	Long-term treatment
Coverage Benefit	Pharmacy and medical separate	Pharmacy and medical combined
Physician Engagement	Block treatment	Steer treatment
Paths, Rules, Guidelines	Separate with payer and provider	Joint with payer and provider
Sourced	Internal	Delegated (where appropriate)

Three Waves of Technology and Standards Supporting ePA



The industry is at the beginning of a third wave of evolving technology and standards that will support major improvements in reducing ePA friction and improving time-to-therapy.

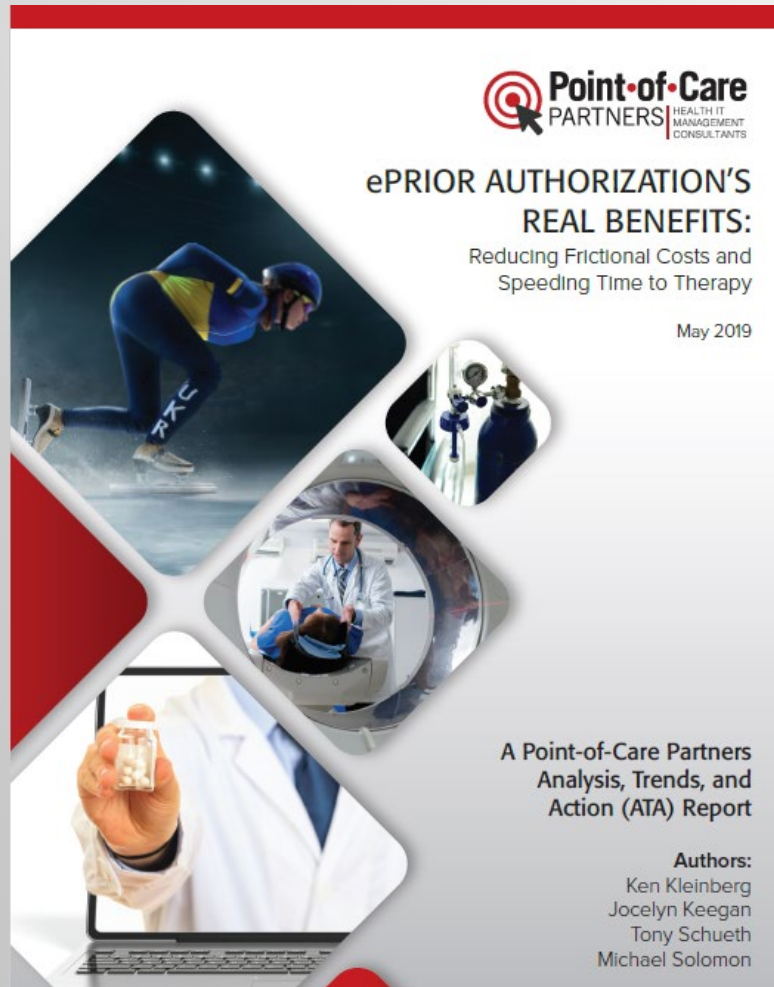
Prior Authorization Paths



ePA Areas We are Watching (and Have our Predictions)

1. *Initial pilots and implementations of innovative Da Vinci-related standards to improve PA and who will drive them*
2. *Influence of RTBC on ePA identification*
3. *Adoption by provider organizations of CDS-Hooks into clinical decision support, how it will be used, and how it will launch the next wave of integrator solutions gradually replaces portal traffic.*
4. *Standards, use cases, and vendor categories that will empower greater automation of the full PA from the EHR, leading to a significant increase in overall ePA adoption.*
5. *The environmental factors that will enable a blockchain-based platform-of-truth to support trusted exchange for multiple purposes, including ePA.*

Point-of-Care Partners ePA Report



<https://www.pocp.com/downloads/ePAReport>



Ken Kleinberg, MA, FHIMSS
Practice Lead, Innovative
Technologies



Anthony J (Tony) Schueth, MS
CEO & Managing Partner



Jocelyn Keegan
Practice Lead, Payer



Michael Solomon, PhD, MBA
Practice Lead, eCare
Management

Thank You

Ken Kleinberg, MA, FHIMSS
Practice Lead, Innovative Technologies

ken.kleinberg@pocp.com

914-388-5062 @kkleinberg1



www.pocp.com



@pocpHIT



Point-of-Care Partners



www.pocp.com/blog