

BLUE CROSS VT PROVIDER PASSPORT PROGRAM REPORT

BLUE CROSS PILOT PROGRAM FOR PRIOR AUTHORIZATION
2019 ACT NO. 140 (H.960) SECTION 11

January 15, 2023

STATUTORY REQUIREMENTS

2019 Act No. 140 (H.960) Prior Authorization Reports

Sec. 8 Annual health plan PA program review and attestation to DFR/GMCSB (begins September 15, 2021)

Sec. 9. DFR report on real time decision support tools to minimize costs for both health care providers and insurers (due January 15, 2022)

Sec. 10 GMCSB and DVHA report on aligning and reducing PA requirements under the all payer model (due January 15, 2022)

Sec. 11 Each insurer shall implement a pilot program to exempt or streamline prior authorization requirements with a report due on or before January 15, 2023

Sec. 12 DVHA report on PA waiver PILOT program for Medicaid beneficiaries attributed to the ACO (due on or before September 30, 2021)

REPORT REQUIREMENTS

- (c) On or before January 15, 2023, each health insurer required to implement a prior authorization pilot program under this section shall report to the House Committee on Health Care, the Senate Committees on Health and Welfare and on Finance, and the Green Mountain Care Board:
- (1) the results of the pilot program, including an analysis of the costs and savings;
 - (2) prospects for the health insurer continuing or expanding the program;
 - (3) feedback the health insurer received about the program from the health care provider community; and
 - (4) an assessment of the administrative costs to the health insurer of administering and implementing prior authorization requirements.

Introduction

BLUE CROSS VT PROVIDER PASSPORT PROGRAM

WHAT IS PRIOR AUTHORIZATION?

Prior authorization is a way to protect patients, approve treatment based on medical necessity, and manage unnecessary costs in the health care system.

Prior authorization (PA) is also called preapproval or pre-certification

Prior authorization screening of a service, procedure, or drug for:

- Duplication
- Safety
- Evidence-based usage of the service, procedure or drug
- Appropriate medical necessity and usage in a given clinical setting

Blue Cross VT uses prior authorization for advanced imaging, out-of-network care, certain medical care and pharmacy claims.

All emergency room (ER) care is excluded from prior authorization.

PROVIDER PASSPORT PROGRAM

Blue Cross VT began our prior authorization “Gold Carding” program PILOT in February 2020 (prior to the passage of legislation)

- Provider Passport Program for advanced imaging – MRI, CT and PET scans, echocardiography and angiography and other specialized imagery (There is no prior authorization for X-rays)
- Two-year program with utilization review to evaluate results – currently two years in practice, but the data available for analysis is limited
- COVID-19 immediately disrupted the pilot program along with other one-time system events

PROVIDER PASSPORT PROGRAM

Created three tiers of providers based on previous approval rates and volume of services ordered

- Tier 1 – denial rate of 2% or less
Automatic approval with a simplified process; must include referring information (provider and service) but no clinical information or criteria
- Tier 2 – denial rate of 5% or less
Automatic approval with a simplified process; and must include clinical information
- Tier 3 – denial rate greater than 5%
Regular prior approval process

The program includes both primary care and specialists

PRIOR AUTHORIZATION DATA CAVEATS

- Base year data are 2017, 2018 and 2019
- Limited data sets because the analysis is for specialized procedures by individual provider
- COVID-19 disruption to provider practices was substantial
- 2020 data is not reliable and does not show normal ordering practices
- Severity of services rendered may be different
- Additional UVMHC cybersecurity incident impact fall 2021
- Baseline is compared to 2021 and 2022 data (2020 excluded)
- Not enough data for a full evaluation of the impact of the program

GOALS OF PA UTILIZATION ANALYSIS

- Looking for utilization trends over time
- Examining ordering practices on a monthly basis
- Review by provider and by type of service
- Compare change in utilization rates between time periods
- Review overall change in prior authorization ordering practices for non-participating providers for the same period
- Provide feedback and education to providers based on review
- Evaluate utilization “creep” over a two-year period

Preliminary

PROGRAM RESULTS AND ANALYSIS OF COSTS AND SAVINGS

RESULTS AND ANALYSIS

- On average, ordering practices for the providers participating in the Passport Program is higher than the baseline years and higher than the non-participating providers, increasing the pressure on premiums
- There is a broad range of results by individual provider with some increasing utilization by +600% and some decreasing by -90%
- There does not appear to be a correlation between the type of advanced imaging and the change in utilization
- Initial analysis showed that 65% of the Tier 1 providers had higher utilization rates while 49% of the Tier 2 providers increased – we anticipate updating this information
- The largest variation is for echocardiography and computerized tomography angiography (CTA) and the narrowest results are for computerized tomography (CT), nuclear medicine and magnetic resonance angiography (MRA)

RESULTS OF PRIOR AUTHORIZATION PILOT

- Overall utilization of advanced imaging services in 2021 exceeded 2019 pre-pandemic levels
- Spending on advanced imaging services outpaced the utilization increases and is consistent with the price increases driving overall cost
- The program's overall trend is an increase in utilization, which puts pressure on premiums
- Program is not tied to participation in the health care reform initiatives
- Providers have no financial responsibility for changing ordering practices and increased utilization
- Education component is important, sharing results with providers and discussing changes
- Results for some individual providers may not be statistically significant because of the limited available data

COST AND SAVINGS

Blue Cross VT annually reviews our prior authorizations programs and determines a ROI for each area in addition to the attestation required in statute

- Utilization Management – evaluate medical necessity, appropriateness, and efficiency of the use of health care services and to guide providers to use the highest quality and most efficient care pathways based on clinical evidence. ROI = 4.2 : 1
- Advanced Imaging – ensure the appropriate use of advanced imaging in cardiology and radiology services. ROI = 7.8 : 1
- Pharmaceutical Management – help members achieve better health outcomes and lower overall costs through innovative management services. The drug formulary has multiple tier levels which may require prior authorization to obtain drugs that have generic, therapeutic, or lower cost alternatives. ROI = 13.3 : 1

Continuation and

PROGRAM EXPANSION

CONTINUATION AND PROGRAM EXPANSION

Blue Cross will continue the Provider Passport Program in 2023.

The Program was expanded to remove the prior authorization process for partial hospitalization and intensive outpatient treatment programs for mental health and substance use disorder at in-state, in-network facilities.

- This treatment could reduce utilization of higher levels of care by preventing an escalation of care needs, thereby reducing the intensity and lengths of residential and inpatient care when clinically appropriate.
- Blue Cross has a collaboration with the Brattleboro Retreat, Vermont Collaborative Care, that provides integrated case management for mental health and substance use disorder services with physical health care.

NEXT STEPS

- The Blue Cross clinical team is examining other opportunities to eliminate or simplify prior authorization
- For example, there is an opportunity to apply this program to the initial distribution of CPAP machines and other durable medical equipment
- Continuing to assess and perhaps expand medical and residential youth mental health inpatient admissions
- Evaluating the frequency, approval/denial rates, average cost, and provider time on all PAs to look for efficiencies
- Each of these areas is unique and requires analysis and a planned implementation timeline

Feedback from

PARTICIPATING PROVIDERS

SURVEY OF PARTICIPATING PROVIDERS

- During summer 2022, Blue Cross VT invited Tier 1 and Tier 2 practices to participate in an online survey to gather feedback on the Provider Passport Program.
- The response rate was 30%, therefore, acknowledging the small size of the data, the feedback is considered directional.
- Summary: While awareness of the Provider Passport Program is somewhat low, overall, more agreed that it simplified the prior authorization process than disagreed. A few also said the streamlined process did enable them to reallocate resources elsewhere.
- Key quote:
“It’s a very good system and I urge it to stay in place for specialty providers with an above-average track record.”

SURVEY RESPONSES

- The majority of respondents say Blue Cross patients account for between 26%-50% of their prior authorization requests.
- Self-reported use of the AIM prior approval portal is robust, with most respondents agreeing strongly they use it when seeking prior approvals.
- A few respondents agree overall that the Provider Passport Program simplified the prior authorization process for advanced imaging, while two disagreed (the remainder had no opinion).
- Few agreed strongly or had an opinion that their office's clinical approach to advanced imaging changed as a result of their participation in the Provider Passport Program.
- Several respondents agreed they were able to make staffing/resource changes because of their participation in the Provider Passport Program.
- Of those who made changes, they were most likely to mention the streamlined process as the key factor that let them use resources elsewhere.

PRIOR AUTHORIZATION PILOT SUMMARY

As opposed to the elimination of prior authorization entirely, the Provider Passport Program has allowed us to gain experience with the impacts of reducing prior authorization requirements for certain health care services while gathering the necessary data and information to evaluate the results of the changes.

Blue Cross VT would like to continue the evaluation process in 2023. We have already expanded the program and see opportunities in other areas in the future.

We continue to have concerns about the increased pressure on premiums and must strive to balance the needs of our members and employers who pay for these plans as we work to simplify the administration for providers.