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# Prior Authorization: H.77 Testimony and Impact on Primary Care

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VERMONT HEALTH REFORM

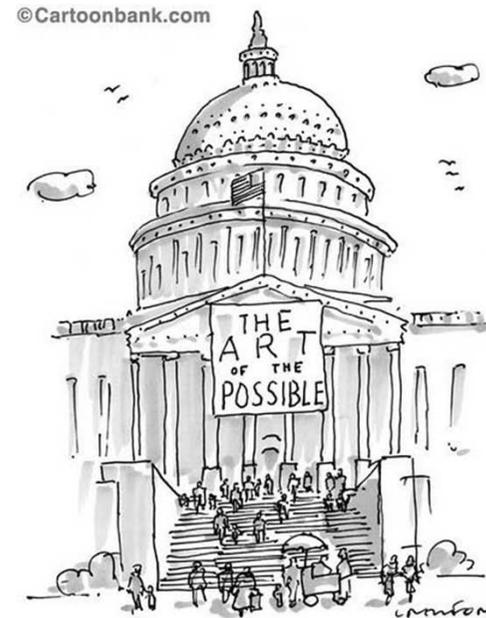


## For discussion today:

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- H.77 and serving the needs of insured Vermonters
- Improving the health care provider experience
- Impact of PA on primary care (survey)

p.s. Yes, I am very optimistic about the future of health care reform in Vermont



## H.77 is an important first step to improve the PA process

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- Insured Vermonters deserve more transparency:
  - Available list of services requiring PA
  - Published criteria for PA decisions
  - Denial information
  - Reduced waiting time for a decision
- Decisions should be based on evidence and medical necessity
  - All adverse decisions made by a physician or designee
- A unique identifier to assure requests do not fall through the cracks

*GMCB Goal: improve the health of Vermonters at an affordable cost and assure that Vermont health care professionals feel better about the care they provide their patients.*

## H.77 and the needs of Vermont health professionals:

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- A. Assuring that the PA request is approved in a timely way (24 hours for urgent requests is a low threshold).
- B. The requirement of using national standards or evidence-based medicine helps in some situations. The more important issue is that medical necessity should be a shared decision between the physician and patient (not determined by the insurer).
- C. There have been attempts in other States to implement a uniform PA form, most have failed or not improved the process.
- D. The tracking (electronic ID #) could add more administrative burdens and cost in the practice office.

# A pilot project to eliminate PA for VT primary care practices (The Green Mountain Care Board PA Analytic Process)

- Literature review
- Primary care physician interviews
- VHCures data: claims by provider for procedures, drugs, tests
- Administrative cost trends in rate review
- Primary care physician survey



# Literature review

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- Using search strings (Pubmed):
  - PA and primary care-25 ref
  - PA and cost savings- 173 ref
  - PA and quality improvement- 45 ref
- No randomized controlled trials were identified to answer the question: *Does PA reduce drug costs or unnecessary testing in primary care?*
- There were before-after studies related to real time pharmacist implemented decision support
- Conclusion- PA in the primary care setting has not been adequately studied to assure it adds value in the health care system

## Primary care PA survey

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- Approximately 490 surveys sent via the Vermont Medical Society (family medicine, primary pediatrics, primary internal medicine)
- 98 responses (88% respondents were in group practice and only submitted one survey- estimated 250-300 physicians represented)
- 65% of respondents have been in practice more than 10 years
- Survey was returned in two weeks and 35/98 respondents included comments

## Selected survey results:

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- 81% reported it was fairly or extremely difficult to determine what requires a PA
- 47% reported spending more than 11 hours per week on PA
- 47% reported waiting “several days” for PA approval
- Very few PA requests are ultimately rejected
- 94% report the PA process has a very or somewhat negative effect on their ability to treat patients
- 76% report PA are not effective in reducing unnecessary care
- 56% reported they had sent a patient to the ED or a specialist to avoid having to go through the PA process!!!

# Physician comments about PA...

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- Generally --- negative and emotional (one was over 300 words)
- Some suggestions:
  - “I can only claim a modest financial drain- \$1000-\$2000 per year (1% loss of income), I fight until I get approval for what my patient needs.”
  - “Coordinating the lists, so that all insurance companies agree which steps will be covered would be dreamy”
  - “Drug PA are triggered by adult criteria (we are a pediatric practice) or they are just plain silly”
  - “The OVHA site is very useful and makes it easy to see the steps for PA”
  - “Why not “profile” physicians regarding the use of expensive or unnecessary procedures and if a physician has a good track record..”

# Conclusions

- H.77 has process improvements that could benefit the consumer
- PA has gained acceptance as an insurer utilization management process without evidence (in primary care)
- PA in primary care has an adverse affect on patient care and provider satisfaction
- Elimination of commercial insurer and Medicaid PA for primary care should be considered (as an initial pilot project)

*What are the legislative, regulatory, or good faith options for change*



*"I'm right there in the room, and no one even acknowledges me."*