

The Evolution of the Prior Authorization Waiver in the Vermont Medicaid Next Generation Program

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Prior Authorization Waiver for the ACO: Why?

- In 2017, DVHA executed a contract with OneCare Vermont for the Vermont Medicaid Next Generation (VMNG) ACO program
- The program stipulates that DVHA will pay OneCare an agreed-upon price to cover the cost of medical care for attributed Medicaid members
- Because the ACO network of providers assumes financial risk for all services included in the Total Cost of Care, DVHA and OneCare tested a waiver of prior authorization for those services for attributed members
 - Reduce administrative burden on provider practices
 - Empower providers to follow best practices and determine appropriate care for their patients

Prior Authorization Waiver: 2017

- Year 1 of the ACO contract
- Narrowest interpretation of the ACO Prior Authorization Waiver
- Waiver specific to the *program* and must meet the following criteria for prior authorization to be waived:
 - Provider must be participating in the ACO
 - Member must be attributed to the ACO
 - Service must be one for which the ACO is accountable (included in the ACO's Total Cost of Care)

Prior Authorization Waiver: 2018 - Present

- Broadens criteria for Prior Authorization Waiver
- Waiver follows the *member* and must meet the following criteria for prior authorization to be waived:
 - Member must be attributed to the ACO
 - Service must be one for which the ACO is accountable (included in the ACO's Total Cost of Care)
- Waiver now extends to any provider enrolled in Vermont Medicaid for ACO-attributed members and ACO-covered services, regardless of that provider's relationship to OneCare Vermont

Prior Authorization: Patient Care & Safety

- In 2018, DVHA and OneCare sought to make a distinction between prior authorization for the purpose of utilization management and clinical review of requests for reasons related to patient care and safety.
 - DVHA has responsibility for the care and safety of its entire membership, regardless of ACO attribution status.
- While prior authorization is waived for the vast majority of ACO-covered services, DVHA remains responsible for clinically reviewing prior authorizations for a subset of services (mainly complex DME) that have been identified as having the potential to cause harm to members if prescribed or used incorrectly.
- DVHA will make further refinements to its claims-processing system to adjust for changes to the prior authorization waiver through the life of the VMNG program.

Prior Authorization Waiver: Looking Forward

- Prior authorization waiver as implemented in 2018 continues for ACO-attributed members
- Over 110,000 members attributed to the ACO and qualify for PA waiver in 2020
- DVHA actively exploring modifying prior authorization requirements at the payer level based on learnings from ACO PA waiver, with a goal of reducing administrative burden by creating one uniform set of rules around PA for the *entire Medicaid population*.

VMNG Prior Authorization Waiver Timeline

