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January 13, 2023

Vermont House Committee on Health Care  
Vermont Senate Committee on Health and Welfare  
Vermont Senate Committee on Finance  
Green Mountain Care Board

To Whom This May Concern:

Act 140 of 2020 required certain health insurers to implement a prior authorization pilot program on or before January 15, 2022. As directed by the Act, the pilot programs must exempt from or streamline certain requirements for a subset of prior authorization requirements for participating health care providers. Further, the Act requires participating health insurers to report on pilot program results, including an analysis of the costs and savings, among other things, on or before January 15, 2023.

Towards this end, enclosed is a report on MVP Health Care's Vermont Gold Card Prior Authorization Program.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Hopsicker", with a long horizontal flourish extending to the right.

Jim Hopsicker, RPh, MBA, FAMCP  
Vice President, Health and Pharmacy Management  
MVP Health Care

## Vermont Gold Card Prior Authorization Pilot Program

Pursuant to Act 140 of 2020, MVP introduced its Vermont Gold Card Prior Authorization Pilot Program (“Pilot Program”) effective January 15, 2022. Under the Act, every health insurer with more than 1,000 covered Vermont lives is required to maintain such a program that automatically eliminates or streamlines certain prior authorization requirements for a subset of participating health care providers, some of whom must be primary care providers. MVP is dedicated to working with providers to optimize administrative processes while complying with all applicable regulatory requirements. Detailed information on MVP’s Pilot Program can be found by visiting the MVP website at:

<https://www.mvphealthcare.com/providers/reference-library/#vermont-gold-card-prior-authorization-pilot-program>

### Procedure Qualification Criteria

Under MVP’s Pilot Program, qualifying providers are no longer required to submit prior authorization or medical necessity requests for certain qualifying pharmacy, medical, and imaging services. In determining which procedures qualify, MVP reviewed the volume of authorization requests and approval rates over a “Look Back Period” (LBP). Procedures exceeding an established approval threshold were identified and deemed as qualifying procedures.

	Pharmacy	Medical	Imaging
Look Back Period (LBP)	18-months	18-months	12-months
Procedure Qualification Criteria <sup>1</sup>	15 or more requests per month over the LBP and an approval rate ≥ 80% to identify the highest volume requested drug class and approval rates. <sup>2</sup>	12 or more requests per month over the LBP and an approval rate ≥ 95%	15 or more requests per month over the LBP and an approval rate ≥ 95%

### Qualifying Procedures

Based on the LBP and qualification criteria above, the Pilot Program determined the following qualifying procedures across pharmacy, medical, and imaging categories of service.

Pharmacy	Medical	Imaging
Qualifying providers will no longer need to submit a prior authorization request for the following Calcitonin Gene-Related Peptide (CGRP) Receptor Antagonists: Aimovig, Ajovy, and Emgality.	Qualifying providers will no longer need to submit a prior authorization request for DME Humidifier, heated, used with positive airway pressure device E0562. <sup>3</sup>  <i>Note: MVP removed prior authorization from these devices for all providers in 2022. As such, these devices were ultimately not included in the Pilot Program.</i>	Qualifying providers are exempt from submitting clinical information to aid in determining medical necessity for the following CPT codes: <ul style="list-style-type: none"> <li>• 70551 (MRI Head w/ Contrast)</li> <li>• 70552 (MRI Head w/ Contrast)</li> <li>• 70553 (MRI Head w/ and w/out Contrast)</li> </ul>

<sup>1</sup> 95% is the recommended approval threshold. However, MVP’s program utilizes an 80% exception to meet the Rx mandate intent

<sup>2</sup> MVP’s procedure qualification criteria excludes certain high-cost, low volume utilization therapies.

## Qualifying Providers

Qualifying providers enrolled in the Pilot Program are those who have submitted five or more requests over six months for the qualifying claims (pharmacy) or qualifying CPT codes (imaging), and who have an approval rate of  $\geq 80$  percent (for pharmacy), and  $\geq 95$  percent (for imaging), respectively. MVP awards Gold Card status at the group (TAX ID) level. Based on the criteria above, seven Vermont provider groups were eligible for inclusion in the Pilot Program. Of those seven groups, six were deemed eligible for the Imaging/Radiology component, and two were deemed eligible for the Pharmacy component. In the imaging component, 45 percent of the groups are primary care providers. In the pharmacy component, 11 percent are primary care providers.

Facility	Pharmacy	Imaging
University of Vermont Med	X	X
Lamoille Health Partners		X
Central Vermont Medical Center		X
Rutland Regional		X
Southwestern Vermont Medical Center		X
Porter Hospital		X
Dartmouth Hitchcock Clinic	X	

## Prior Authorization Pilot Program Report

Act 140 requires insurers to report the following information on or before January 15, 2023, to the Vermont House Health Care Committee, the Senate Health & Welfare and Finance Committees, and the Green Mountain Care Board (GMCB):

### 1) The Program Results, Including an Analysis of the Costs & Savings

- *Imaging/Radiology Component*—In evaluating authorization data from 1/15/22 through 11/2/22, there was no significant change in authorization for the CPT codes or providers included in the Pilot Program, compared to the previous year's authorization data. No additional fee was charged by MVP's imaging vendor (eviCore) to implement the configuration changes necessary to administer the Pilot Program. No significant savings were seen for this component of the Pilot Program. Because eviCore fees were not impacted, there were no additional savings associated with eliminating the authorization requirements.
- *Pharmacy Component*—In evaluating authorization and year-to-date claims data, there was no significant increase in utilization. No additional fee was charged by MVP's pharmacy benefits vendor (CVS Caremark) to implement and administer the changes. Given the volume of claims, pharmacy savings for the Pilot Program are projected to be about \$5,000 in total prior authorization review costs.
- For both the imaging/radiology and pharmacy components of the Pilot Program, there were no additional costs incurred by MVP as a result of eliminating authorization requirements on qualifying procedures for qualifying providers. In both components, MVP is charged a fee by third-party vendors to manage these benefits. In both instances, the vendor did not charge any additional costs to MVP to administer the changes. As such, there is no incurred cost increase as a result of implementing the Pilot Program in 2022.

### 2) Prospects for the Health Insurer Continuing or Expanding the Program

Upon reviewing trends in the preliminary data, MVP's current recommendation is to continue with the current Pilot Program, but not expand it, until a longer period of data is available to measure and understand trends.

- *Imaging/Radiology Component*—Upon review of the eviCore imaging data through 11/2/22, no additional CPT codes meet the qualifying criteria for prior authorization removal at this time. Additional data is required to determine opportunities to expand to additional providers.
- *Pharmacy Component*—Upon review of the CVS Caremark data, no additional drug classes or providers meet the criteria at the prescription drug claim level at this time.
- *Medical Component*—As noted previously, the Pilot Program initially targeted inclusion of prior authorizations for heated humidifier devices used with PAP/continuous airway pressure. Because of device recalls that emerged resulting in shortages nationally, MVP opted to remove prior authorization requirements on the device for all providers. As such, MVP ultimately did not include this device in the Pilot Program.

3) Feedback Received from the Health Care Provider Community

MVP surveyed providers who participated in the Pilot Program to request feedback about their experience. From the responses that were received, overall, it was felt that the Pilot Program did decrease the administrative burden to the staff, was beneficial in streamlining work efforts, and did reduce the delay for approval. However, there is not currently enough data available to quantify that reduction. Some feedback received recommended more closely aligning the services and codes included in the Pilot Program across payers to have even more of an impact on the health care provider community.

4) Assessment of Insurer Admin Costs of Implementing Prior Authorization Requirements

MVP routinely reviews its prior authorization requirements throughout the year, with a goal of reducing administrative burden on providers, and ensuring that patients are accessing high-quality, clinically appropriate and effective, and cost-effective treatments and services. A key part of these evaluations includes assessment of return on investment (ROI) of all prior authorization requirements. If a particular item or service requiring prior authorization is not generating a positive ROI, it is reviewed for potential elimination. MVP performs these ROI reviews on prospective utilization management (UM) (non rental, non Out-of-Network (OON), non transplant), retrospective UM, and concurrent UM, as well as radiology and pharmacy services. Our standard threshold for ROI review is 2:1. MVP's current ROI analysis finds the following ratios:

- Prospective UM ROI = 3.85:1
- Retro = 6.75:1
- Pharmacy ROI = 11:1

**Questions and Follow Up**

MVP is a regional, not-for-profit, community health plan that is committed to the health, well-being and experience of its members. We appreciate Vermont policymakers' attention to the importance of prior authorization in ensuring access to safe, effective, and high-quality health care, and in promoting affordability via utilization of cost and clinically effective health care services and treatments. Please don't hesitate to contact Jordan Estey, Senior Director of Government Affairs, with any questions concerning this report. He can be reached by email at [jestey@mvphealthcare.com](mailto:jestey@mvphealthcare.com), or by phone at 518-320-4636.