

Easing the Burden: Provider Prior Authorization at the Point-of-Care

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Conference & Exhibition**

May 17, 2005

- What is Prior Authorization?
 - Overview
 - Medicare Drug Improvement & Modernization Act
- Next Steps
 - Proprietary Automated Forms
 - Flags, Notes, Links
- Attempts to Standardize
 - NCVHS
 - NCPDP Task Group

What is Prior Authorization



- Prior authorization is the process that providers must follow in order to obtain approval from health insurance plans for:
 - the administration of certain procedures, services, or prescription drugs
 - use of out-of-network providers

How is Prior Authorization Used?



- Health insurance plans designate which procedures, services, or prescription drugs require prior authorization to ...
 - assure medical necessity
 - assure services are at an appropriate level for the patient's need
 - manage expensive procedures, services, and drugs to plans and their sponsors
 - prevent unexpected coverage denials

How is Prior Authorization Used?



- Health insurance plans also define what patient information providers must submit for each procedure, service, or prescription drug requiring prior authorization.
 - Evidence of insurability
 - Patient demographics
 - Medical criteria to determine whether patient is a suitable candidate
- Health insurance review boards assess the patient information submitted and either approve, deny, or reject the request.

Transmission of PA Information



- Healthcare procedures & services
 - Providers electronically transmit patient prior authorization information for procedures & services to insurance plans via *ANSI's X12 N-278 Healthcare Services Review*.
- Prescription Drugs
 - While standards exist to transmit prescriptions between prescribers and pharmacies, and drug claims between pharmacies and insurance payers, the prior authorization process has remained a manual process.

What are Prescription Prior Authorizations?



- Healthplans and PBMs place prior authorization (PA) requirements on selected drugs to:
 - Encourage appropriate clinical usage
 - Manage costs of expensive therapies to plans and their sponsors
- Simple PA's require the prescriber to respond with basic data elements such as patient sex, age, or diagnosis
- Complex PA's require demographic data as well as responses to a series of clinical criteria that may include previous therapies, lab results and much more

How do Rx Prior Authorizations work today?



- 1) Prescriber writes prescription for patient (paper or electronic). Patient leaves prescriber's office.
- 2) Patient takes prescription to pharmacy, or sent by EDI
- 3) Pharmacy real-time claims adjudication transaction identifies requirement for PA
- 4) Pharmacist notifies prescriber by phone
- 5) Prescriber contacts plan and responds to questions by phone or fax
- 6) Plan reviews response and contacts prescriber with authorization or denial
- 7) Provider notifies pharmacy with OK to fill, or provides Rx for alternative drug

Sample PA Form - Celebrex



CONTAINS CONFIDENTIAL PATIENT INFORMATION
Celebrex (celecoxib) Prior Authorization of Benefits (PAB) Form

Complete form in its entirety and fax to:
 Prior Authorization of Benefits (PAB) Center at (888) 831-2243

1. PATIENT INFORMATION

2. PHYSICIAN INFORMATION

Patient Name: _____ Patient ID #: _____ Patient DOB: _____ Date of Rx: _____ Patient is: <input type="checkbox"/> Female <input type="checkbox"/> Male	Prescribing Physician: _____ Physician Specialty: _____ Physician DEA#: _____ Physician Phone#: _____ Physician Fax#: _____
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3. INDICATE DIAGNOSIS

Diagnosis:	<input type="checkbox"/> Osteoarthritis	<input type="checkbox"/> Rheumatoid Arthritis	<input type="checkbox"/> Primary Dysmenorrhea	<input type="checkbox"/> FAP
Strength:	Celebrex 200mg	Celebrex <input type="checkbox"/> 100mg	Celebrex 200mg	Familial Adenomatous Polyposis
Max Qty Limit:	30 per 30 days	60 per 30 days <input type="checkbox"/> 200mg	11 per 30 days	Celebrex 400mg
	OA or RA: Must meet criteria below in 4A OR 4B OR 4C		Must be female and meet criteria below in 4A OR both 4B AND 4C	60 per 30 days
				Only diagnosis required

Sample PA Form - Celebrex



4. APPROVAL CRITERIA: CHECK ALL BOXES THAT APPLY

Any areas that are not filled out will be considered not applicable to your patient AND MAY AFFECT THE OUTCOME OF THIS REQUEST

A. Yes No Patient has major NSAID-induced GI complication risk factors: ONE OF THE FOLLOWING MUST BE PRESENT

- Yes No Active non-menstrual bleeding or bleeding disorder
- Yes No Concurrent anticoagulation therapy Please note: bleeding events have been reported in patients taking COX-II Selective NSAIDs concurrently with warfarin. INR must be monitored.
- Yes No Patient has previous documented history of NSAID-induced GI complications

B. Yes No Patient has other NSAID-induced GI complication risk factors: ONE OF THE FOLLOWING MUST BE PRESENT

- Yes No Age \geq 65 years old
- Yes No Chronic major organ impairment _____ (please specify) _____ Arthritis
- Yes No Concomitant chronic systemic corticosteroid therapy
- Yes No Chronic high-dose NSAID therapy (e.g. 2-3 times the standard dose to achieve therapeutic effect)
- Yes No Anti-platelet agents for vascular prophylaxis

**Note:
Previous drug
therapies
required**

C. Yes No Patient has documented trial and failure of 2 or more prescription-strength NSAIDs (Must specify trials below)

NSAID #1: _____ NSAID #2: _____

5. PHYSICIAN SIGNATURE

Prescriber or Authorized Signature _____ Date _____

Prior Authorization of Benefits is not the practice of medicine or the substitute for the independent medical judgment of a treating physician, only a treating physician can determine what medications are appropriate for a patient. Please refer to the applicable plan for the detailed information regarding benefits, conditions, limitations, and exclusions.

IMPORTANT WARNING: This message is intended for the use of the person or entity to which it is addressed and may contain information that is privileged and confidential, the disclosure of which is governed by applicable law. If the reader of this message is not the intended recipient, or the employee or agent

Sample PA Form – Growth Hormone



CONTAINS CONFIDENTIAL PATIENT INFORMATION
Growth Hormone Prior Authorization of Benefits (PAB) Form

Complete form in its entirety and fax to:
Prior Authorization of Benefits Center at (888) 723-5479

1. PATIENT INFORMATION

Patient Name: _____

Patient ID #: _____

Patient DOB: _____

Date of Rx: _____

2. PHYSICIAN INFORMATION

Prescribing Physician: _____

Physician Specialty: _____

Physician DEA#: _____

Physician Phone#: _____

Physician Fax#: _____

3. MEDICATION REQUESTED (Maximum quantity limit allowed: 28 injections per 28 days)

- | | | | | |
|-------------------------------------|--------------------------------------|--|-----------------------------------|-------------------------------------|
| <input type="checkbox"/> Genotropin | <input type="checkbox"/> Humatrope | <input type="checkbox"/> Nutropin, Nutropin AQ | <input type="checkbox"/> Serostim | <input type="checkbox"/> Tev-Tropin |
| <input type="checkbox"/> Geref | <input type="checkbox"/> Norditropin | <input type="checkbox"/> Protropin | <input type="checkbox"/> Saizen | <input type="checkbox"/> Zorbtive |

4. DIAGNOSIS

- | | | |
|---|--|---|
| <input type="checkbox"/> Short Stature | <input type="checkbox"/> Prader-Willi Syndrome | <input type="checkbox"/> Short Bowel Syndrome |
| <input type="checkbox"/> HIV Wasting Syndrome | <input type="checkbox"/> Panhypopituitarism | <input type="checkbox"/> Turner's Syndrome |
| <input type="checkbox"/> Idiopathic Growth Hormone Deficiency | | |
| <input type="checkbox"/> Other (please specify): _____ | | |

Sample PA Form – Growth Hormone



5. PROVIDE THE FOLLOWING INFORMATION AS APPROPRIATE Please note: Any areas that are not filled out will be considered not applicable to your patient AND MAY AFFECT THE OUTCOME OF THIS REQUEST

Date:	List and attach copy of Growth Hormone Stimulation Test Results and Reagents Used	
Patient's Height:	Reagent 1:	Reagent 2:
Patient's Bone Age:	Results #1:	Results #2:
Patient's Chronological Age:	Results #2:	Results #3:
Growth Velocity:	Results #3:	Results #4:
IGF-1 Results:	Results #4:	Results #5:
	Results #5:	Results #6:

Note: Lab Results Required

6. PHYSICIAN SIGNATURE

Prescriber or Authorized Signature	Date
<i>Prior Authorization of Benefits is not the practice of medicine or the substitute for the independent medical judgment of a treating physician, only a treating physician can determine what medications are appropriate for a patient. Please refer to the applicable plan for the detailed information regarding benefits, conditions, limitations, and exclusions.</i>	

Industry Analysis – COX2 Inhibitors



Drug/Criteria	Health Plan A	Health Plan B	Health Plan C	Health Plan D	Health Plan E	Health Plan F	Health Plan G
NSAIDs							
<i>[Celebrex] - COX2 Inhibitors</i>							
Drug			N/A				
Strength	•	•		•	•	•	•
Dose	•	•		•	•	•	•
Diagnosis	•	•		•	•	•	•
Expected duration	•	•		•	•	•	•
Previous therapy and dates	•	•		•	•	•	•
Response to previous therapy (inadequate response, adverse effects, comments)	•			•		•	•
Pt age: 65 or older				•	•	•	•
Pt has documented Hx of ulcer disease or prior evidence of GI hemorrhage (ICD-9 if available)	•					•	•
Pt has concurrent use of corticosteroids		•			•	•	•
Pt has concurrent use of anticoagulants or antiplatelets (Ticlid, Aggrenox, Plavix)	•	•		•	•	•	
Pt has concurrent use of NSAIDs	•	•		•	•	•	
Pt has anti-ulcer agent (H.Pylori eradication agents) - Helidac or Prevpac		•					
Pt requires NSAID use > 21 days (list drug and dose)	•						
Pt previously unable to tolerate 2 different NSAIDs	•					•	•
Shrt-trm Tx (<21d) hi-risk pts NSAID induced adv GI event w/2 different	•				•		
Shrt-trm Tx (<21d) hi-risk pt anticoag, antiplatelet, chronic oral corticosteroid	•						
Hx of PUD, NSAID-related ulcer or clinically significant GI bleed	•					•	•
Pt has hereditary or acquired coagulation defect (eg: hemophilia or Von Willebrand's, protein C or S deficiency, thrombocytopenia or chronic renal failure)	•			•			
Celebrex coverage for reducing number of adenomatous colorectal polyps in pts w/Familial Adenomatous Polyposis (FAP)	•						•
Coverage not provided for prevention of cancer, prev or tx of Alzheimer's or in presence of ASA >325 mg/day	•						
Benefit approval duration: 12 months (grandfather existing users)	•						

What's wrong with this picture?



- Patient hassle and treatment delay
 - No one knows drug requires PA until patient has already left prescriber's office
 - Treatment might be delayed for days
- Pharmacy hassle
 - Pharmacy must call prescriber's office, and sometimes the plan
- Prescriber hassle and disruption
 - Gets called back from pharmacy, must call plan, wait for faxed form, completes form and sends it back
 - Turnaround time can be 48 hours or more
- Healthplan inefficiency
 - Expensive and labor intensive process

The Future of Prior Authorization



- Where is prior authorization heading?
 - To a fully automated, seamlessly linked component of ePrescribing;
 - Supported by electronic communication standards;
 - Supported by product tools, database, and services to assist payers/PBMs and prescribers in effectively implementing the process;
- Medicare bill (MMA) names PA as a transaction to be automated.
- Automated PA likely to be piloted in 2006 eRx pilots.

Next Steps

Partial PA Automation Working Today



- Interim Solutions
 - Vendors flag drugs requiring PA
 - Plans/aggregators summarize criteria in notes
 - Links provided to plan Web sites
- Custom Solutions
 - Some plans providing automated PA forms
 - Testing proof-of-concept

Example: Component of Formulary Database (WebMD)



https://clinician.webmd.com/jsp/portal/portal.jsp?userid=guest2_rxtest43cb9b60dcd178d|43c13c2e - Microsoft Internet Explorer

WebMD Clinician 05/09/2005 guest2 rxtest Rx Test Home Fast, Accurate, Secure ePrescribing.

Home | Orders | Reports | Rx | Patient | Admin | Help | Logout |
New Rx | Authorizations | Report |

Rx Pad for [Michael Burger, 43, Male, Allergies: No Known Allergies]

Rx History Issue Hold

Supervising Physician: Gentry, Leanne

Diagnosis: 272.0 PURE HYPERCHOLESTEROLEM

Drug: Lipitor Oral Tablet 20 mg

Transmitted Drug Name: LIPITOR 20MG TABLET

SIG: take 1 tablet (20mg) by oral route once daily

Quantity: 30 Units of Measure: []

Days Supply: 30 Refills: 3 DAW

Comments: []
Max comment size is 210

Issue To: ZZZ Training Pharmacy Nbr 1[2045 Midway Drive]

Issue Via: Electronic Save Rx as Preference

DUR Warnings [] View

Show Practice Preferences

! = P.A. Messaging
Alt = Formulary Alternatives

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Done Internet

Example: Custom Solution - Navimedix



NaviNet - Microsoft Internet Explorer

File Edit View Favorites Tools Help defax

Address C:\Demos\Dean\RootDocument.htm

msn Search Highlight Options Pop-ups Allowed Hotmail Messenger My MSN

NaviMedix Plan Central Office Central Action Items Customer Service Online Training Log Off

Drug Prior Authorization > Member Search > Provider/Drug Selection > Request Form

Drug Prior Authorization Information
Submission Status: Incomplete
Receive Date: 05/04/2005
Date of Service: 05/04/2005
Drug Name: Flolan (Epoprostenol)

Please answer the following questions prior to submission:
If you need an option not listed in the form below, please provide additional information in the text box at the bottom of the page.

What is the prescriber's specialty?

Cardiology	<input type="checkbox"/>
Pulmonology	<input type="checkbox"/>
Other (If other, please provide additional information in the text box at the bottom of the page)	<input type="checkbox"/>

Does the patient have primary pulmonary hypertension? Yes No

Does the patient have secondary pulmonary hypertension? Yes No

Please list the treatments tried and their associated outcome

Anticoagulants	<input type="checkbox"/>
Effectively treated condition	<input type="checkbox"/>
Ineffectively treated condition	<input type="checkbox"/>
Unacceptable side effects	<input type="checkbox"/>
Supplemental Oxygen	<input type="checkbox"/>
Effectively treated condition	<input type="checkbox"/>
Ineffectively treated condition	<input type="checkbox"/>
Unacceptable side effects	<input type="checkbox"/>
Diuretics	<input type="checkbox"/>

Submit Save View Referral/Auth Review Notes

Done

Start | Inboxes - Microsoft ... | Dean | NaviNet - Micro... | Microsoft PowerP... | My Computer | 9:37 PM

Example: Custom Solution - Navimedix



NaviNet - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites Media Print Copy Paste

Address C:\Demos\Dean\RootDocument.htm Go Links >>

msn Search Highlight Options Pop-ups Allowed Hotmail Messenger My MSN

NaviMedix Plan Central Office Central Action Items Customer Service Online Training Log Off

Drug Prior Authorization > Member Search > Provider/Drug Selection > Request Form

Diuretics	
Effectively treated condition	<input type="checkbox"/>
Ineffectively treated condition	<input type="checkbox"/>
Unacceptable side effects	<input type="checkbox"/>
Vasodilators	<input type="checkbox"/>
Effectively treated condition	<input type="checkbox"/>
Ineffectively treated condition	<input type="checkbox"/>
Unacceptable side effects	<input type="checkbox"/>
Bosentan (Tracleer)	<input type="checkbox"/>
Effectively treated condition	<input type="checkbox"/>
Ineffectively treated condition	<input type="checkbox"/>
Unacceptable side effects	<input type="checkbox"/>
Other (If other, please provide additional information in the text box at the bottom of the page)	<input type="checkbox"/>
None	<input type="checkbox"/>
Please provide the following information about the patient's condition	
Patient has significant parenchymal lung disease	<input type="checkbox"/>
Oxygen Saturation	
< 80%	<input type="checkbox"/>
>= 80%	<input type="checkbox"/>
Total Lung Capacity.	
< 60%	<input type="checkbox"/>
>= 60%	<input type="checkbox"/>
Significant left ventricular dysfunction	<input type="checkbox"/>

Please add any other medical information that may be useful in the decision-making process:

Submit Save View Referral/Auth Review Notes

Done

Start | Inbox - Microsoft ... Dean | NaviNet - Micro... Microsoft PowerP... | My Computer

9:38 PM

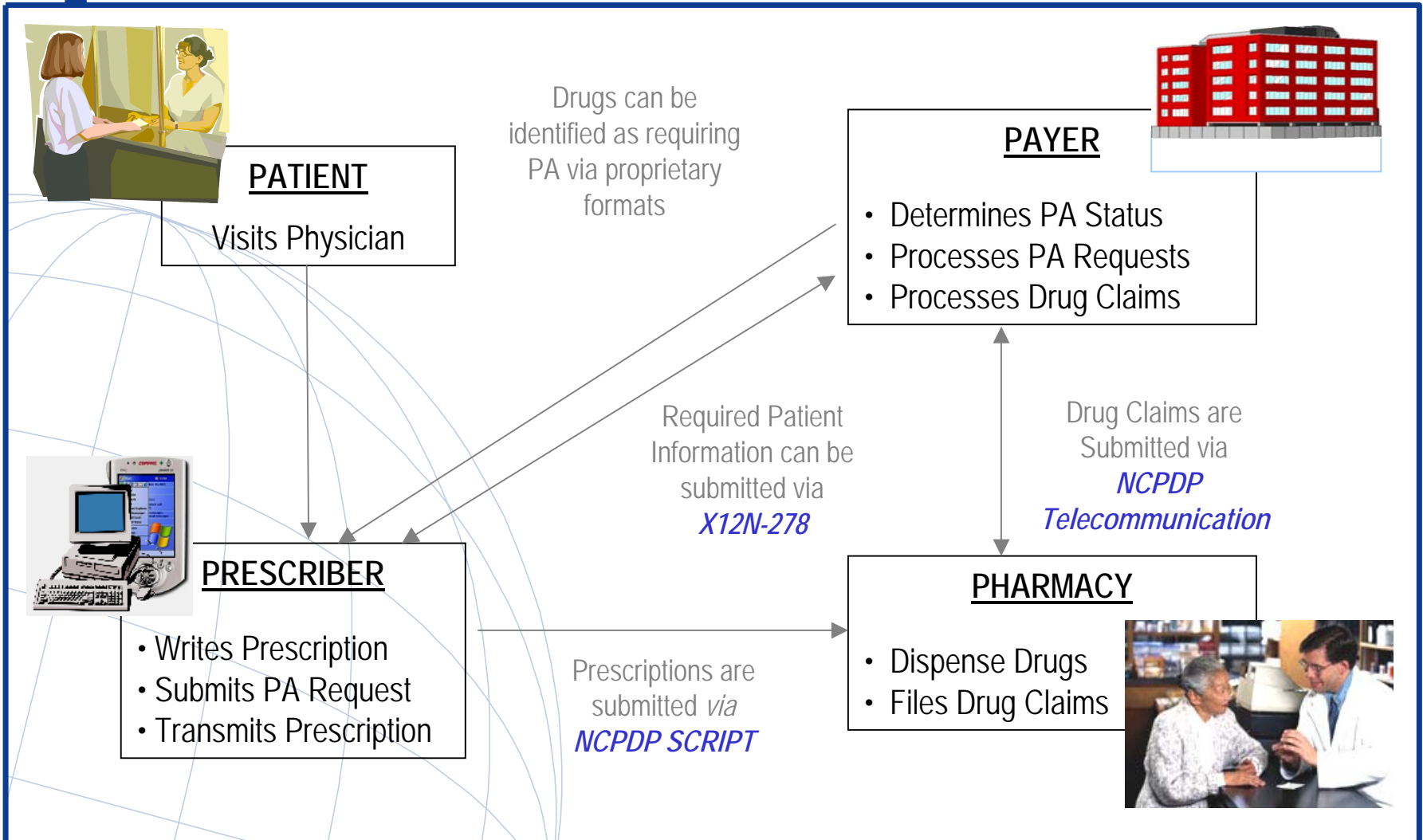
Standardization

NCPDP Workflow-to-Transactions Prior Authorization Task Group

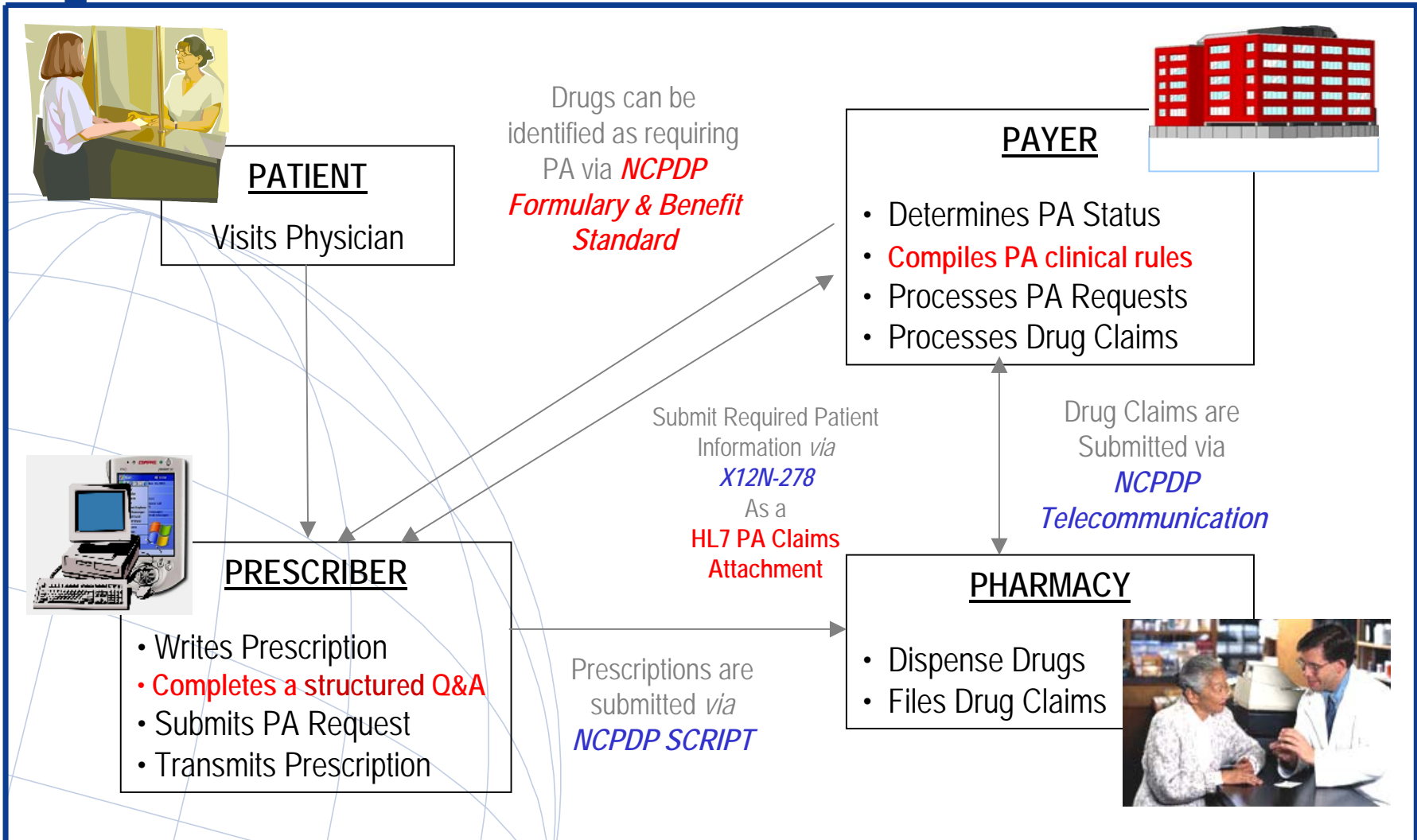


<p>Objectives</p>	<ul style="list-style-type: none"> ▪ Promote standardized automated adjudication of prior authorization ▪ Coordinate the further development and alignment of standards ▪ Identify additional needed standards
<p>Organizations Participating</p>	<p>NCPDP; X12; HL7; AAFP; Pfizer; Dr. First; ZixCorp; Allscripts; Anthem/Wellpoint; HealthNet; Excellus Blue Cross Blue Shield; Express Scripts; RxHub; MediMedia; long-term care</p>
<p>Task Group Activities in Progress</p>	<ul style="list-style-type: none"> ▪ Evaluate current standards and identification of gaps the will need to be filled in order to support the automation of prescription drug prior authorization. ▪ Meet with HL7 and X12 to discuss the PA standard components under their direction. ▪ AHRQ-funded analyzing of comprehensive set of prior authorization rules and forms.
<p>Task Group Lead</p>	<p>Tony Schueth, Managing Partner, Point-of-Care Partners, LLC</p>

Existing Prior Authorization Landscape



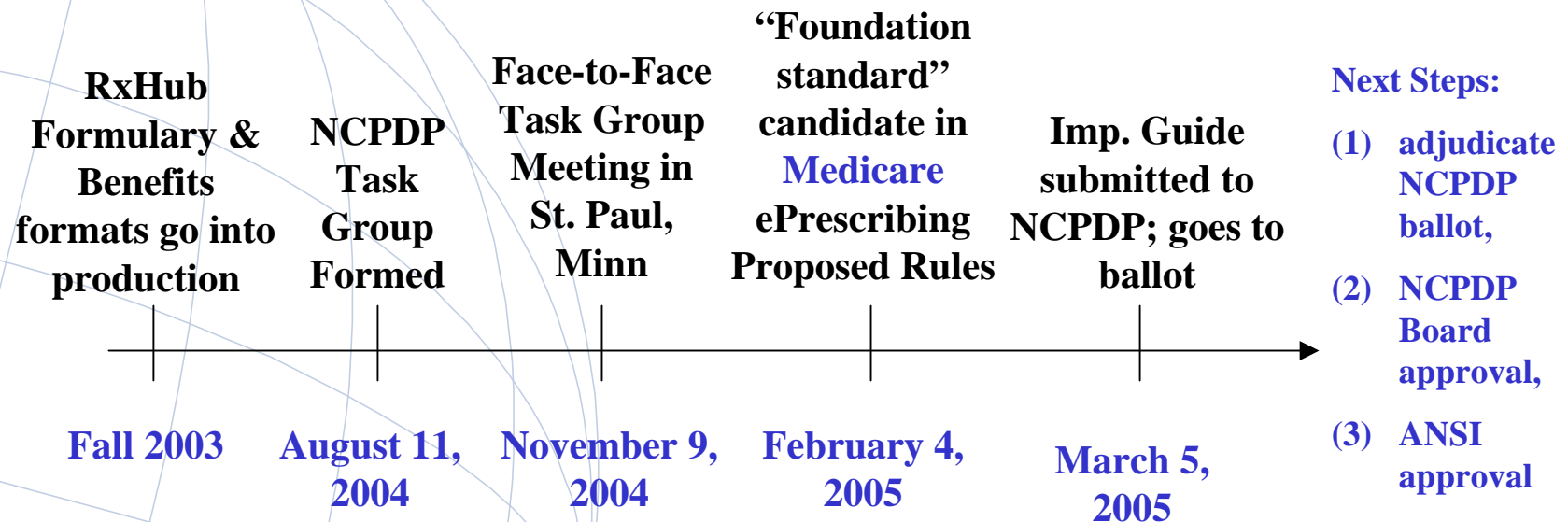
Straw Model



NCPDP Formulary & Benefit Standard



- Based on RxHub proprietary formats
- Obtained input from other major formulary aggregators:
 - MediMedia (Infoscan)
 - EDS (Medicaid)
 - ProxyMed



Standardization Components “In The Works”



- ARHQ-funded analysis of 350+ commercial PA forms
- Initiative to gather PA rules from Medicaid
- Effort to create a PA claims attachment
- Application for AHRQ grant to complete work on an HL7 initiative that COULD present rules to prescribers
- No consensus among NCPDP PA Task Group members as to whether to present rules in MD office

Summary



- Today, Prior Authorization is a multi-step, burdensome process
- Plans would like to automate PA to ensure clinically appropriate prescribing
- There are interim steps to automation, including flagging a drug as requiring PA, presenting notes and linking to forms, as well as custom solutions
- Ideal automation would leverage existing and emerging standards.
- A great deal of work is being done relative to standardizing automated adjudication of PA.
- Timeline: 1-2 years on horizon.



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