

The State of Drug Electronic Prior Authorization (ePA)



Prior Authorization Working Group

Colorado Department of Regulatory Authority (DORA)



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Health IT Management Consultants

What We'll Discuss



- ⊙ What is medication ePA
- ⊙ Where are we and how did we get here?
- ⊙ What is the medication ePrior Authorization process?
- ⊙ Where is the country relative to ePA?
- ⊙ Thoughts on your charge

Defining Electronic Prior Authorization (ePA): Real-time request and response



- ⊙ ePA allows the provider to electronically request or be presented with a PA question set, return the answers to the payer and receive a real-time response
 - Can utilize a network or direct connection to enable bi-directional communications
 - Real-time response returns approval or pending
 - Denial response could require a manual review
 - Real-time adjudication override for approved drugs
- ⊙ ePA integrated into a web portal or EHR or ePrescribing applications/modules for prescribers and their staff
- ⊙ Can leverage other existing transactions/standards to facilitate the PA process
- ⊙ The prior authorization process could also be automated to improve clinical workflow

Electronic Prior Authorization Milestones



Federal and state government (HIPAA, MMA, CMS/AHRQ) efforts to encourage development and adoption of ePA has brought us to the precipice.

NCPDP ePA Task Group Formed

- Standard transactions mapped
- Gaps identified
- HL7 PA Attachment created (2005)

CMS/AHRQ pushes forward

- Decided on new ePA trans in NCPDP
- Paved way for HIPAA exception
- Value model created

Renewed Interest

- Commercial Value
- Economic value
- State legislation

HIPAA Addition

- NCPDP (at CMS' suggestion) Requesting new Tx named in HIPAA

Aug 1996

Nov 2004

2006

2008

2009

2011

2013

HIPAA passes

- X12 278 named “prior authorization” transaction standard

MMA ePrescribing Pilot Tests

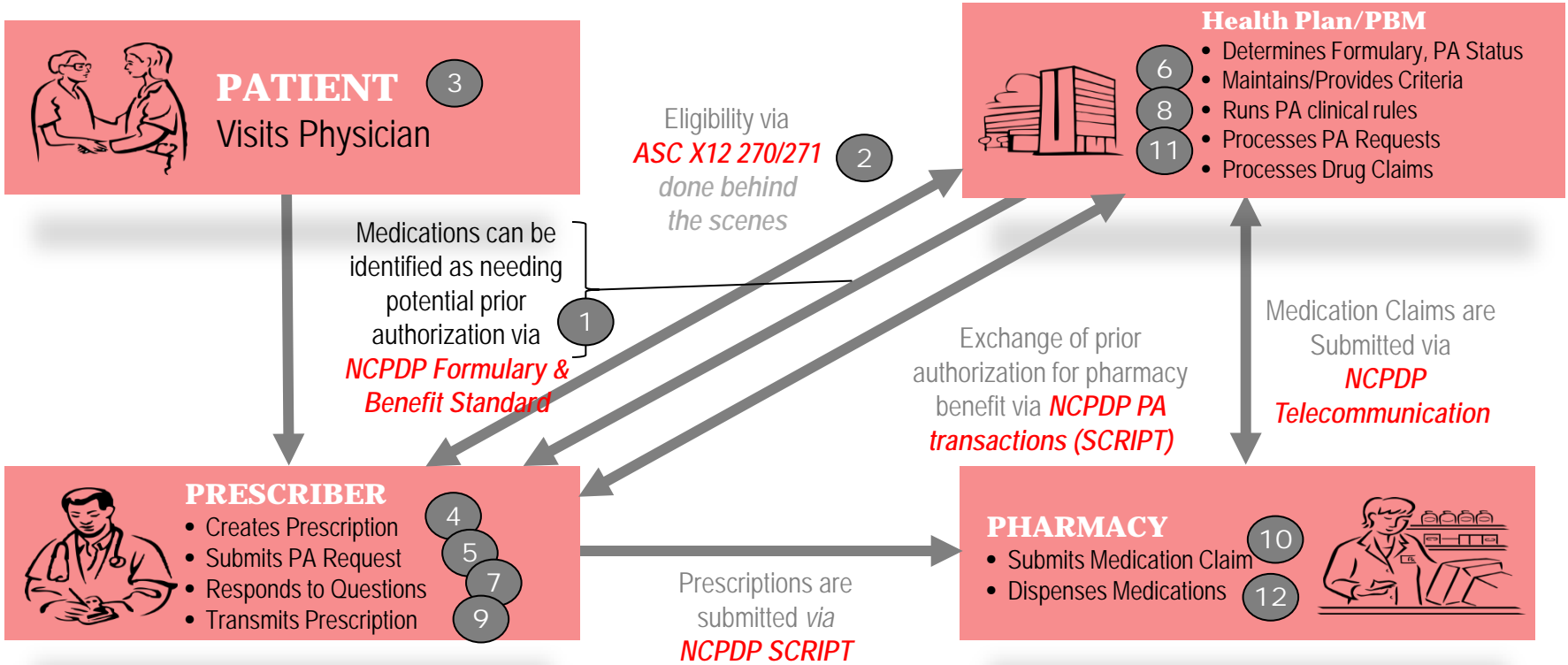
- “Menagerie of ePA standards” pilot tested
- One standard – not X12 278 -- recommended

New Standard Created

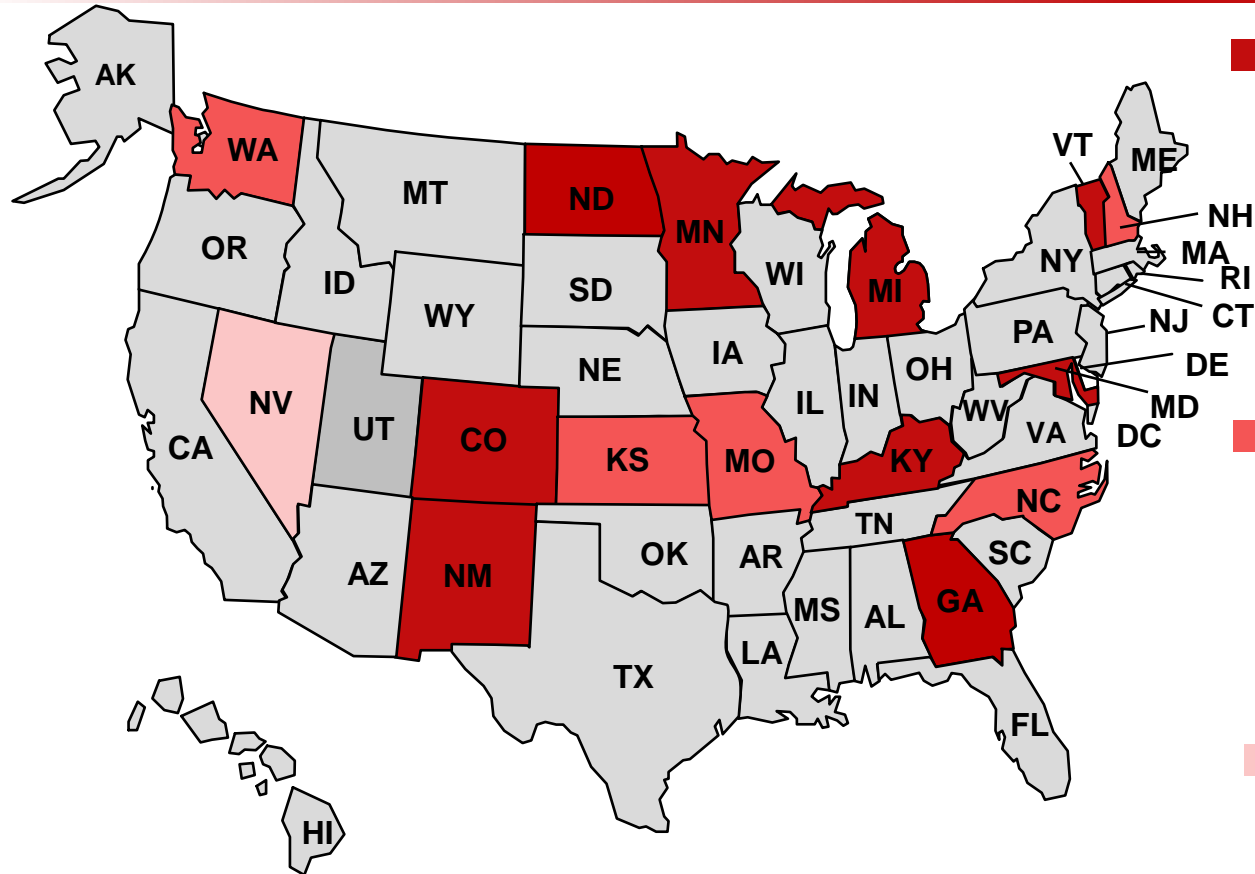
- Housed in NCPDP
- Compatible with emerging technology
- No pilot test

New Standard Published (7/2013)
ePA transactions within NCPDP SCRIPT

Electronic Prior Authorization Process



14 States have Mandated ePA in some form



- 9 States have Mandated ePA or Uniform PA form
 - 3/1/14 (VT)
 - 1/1/15 (MN, CO)
 - 7-8/15 (ND, GA, KY, NM, MD)
 - 1/1/16 (MI)
- 5 States have mandated Studies
 - 4/12 (NH)
 - 1/1/13 (KS, MO)
 - 11/15/13 (WA)
 - <date unclear>(NC)
- At least 1 state has a pilot (NV)

Vendors and Payers making it happen (finally!)

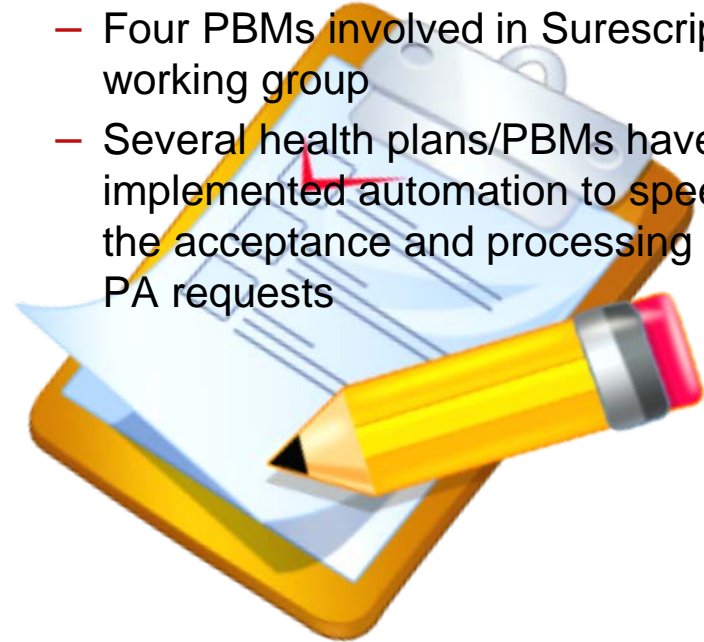


⊙ Vendor involvement in ePA

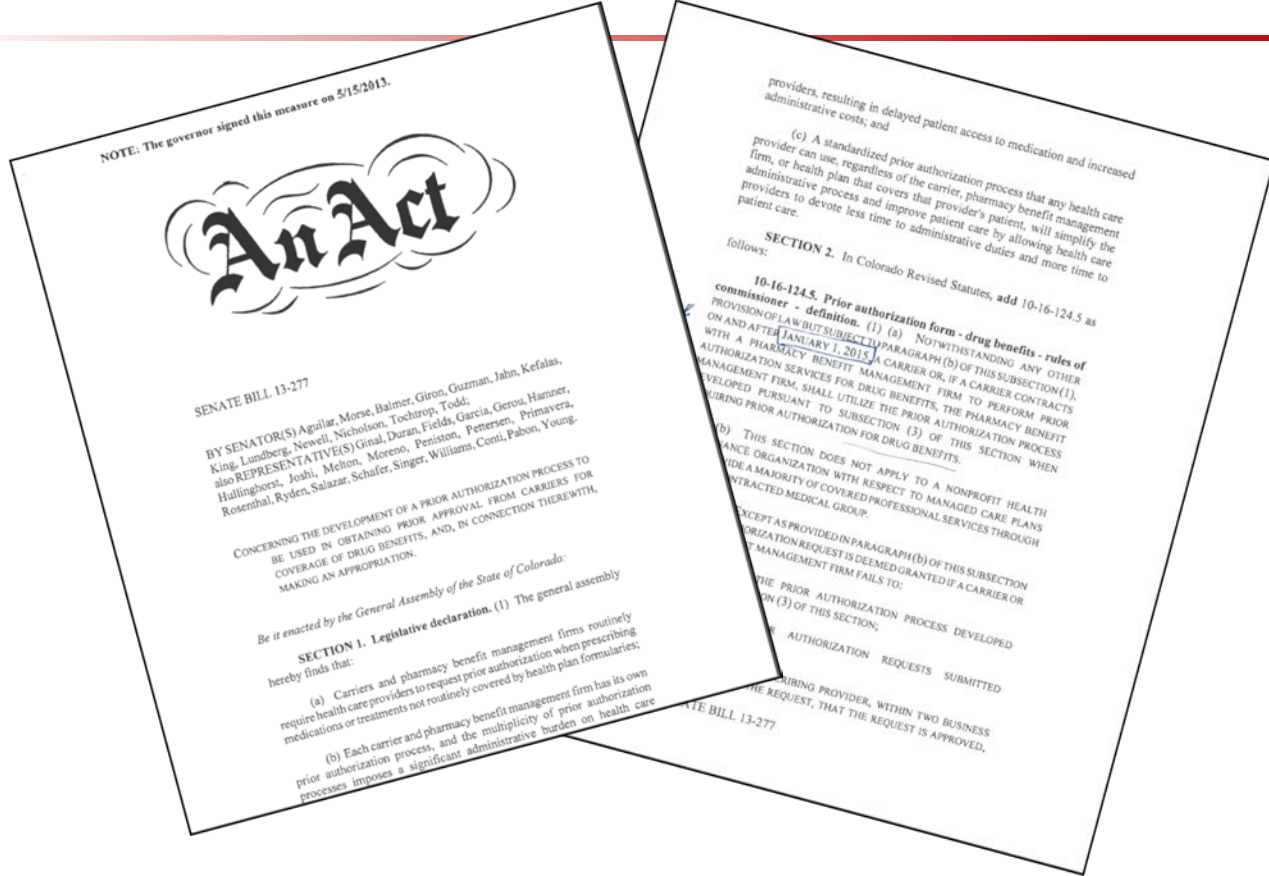
- Two vendors (Allscripts, Navinet) are involved in Caremark pilot
- Six EHRs involved in Surescripts working group
- One multi-payer portal, several single-payer portals
- 2-3 large workflow solution providers
- 3-4 medium-sized workflow solution providers
- Two vendors that intercept the rejected pharmacy claim and forward forms

⊙ Payer involvement in ePA

- One PBM (Caremark) has Piloted ePA transactions
- Four PBMs involved in Surescripts working group
- Several health plans/PBMs have implemented automation to speed the acceptance and processing of PA requests



Thoughts/Comments



- ◉ Workgroup to recommend a uniform prior authorization process
- ◉ Solution to include:
 - National standards
 - a Universal Form

What key stakeholders believe are elements of a good process



Physicians/EHRs

- ⦿ Validates that a PA is needed (formularies are not always specific)
- ⦿ Asks structured questions that can easily be drawn from EHR data and answered by a query rather than re-inputting data.
- ⦿ Responds quickly with an answer or a request for added information
- ⦿ Resolves most requests in a minute and all within a reasonable time

Payers

- ⦿ Consistent format with specific drug clinical assessment
- ⦿ A complete and accurate physician response that doesn't require post-submission follow-up
- ⦿ Houses criteria in payer systems to reduce out-of-date forms
- ⦿ Minimize ability to “game” the system by keeping rules in-house

Considerations



- ⊙ There will be two HIPAA-named electronic prior authorization standards – the X12 278 and transactions within the NCPDP SCRIPT standard
 - Effort to have second named standard driven by key stakeholders' desires to implement NCPDP
- ⊙ Both use a model of a specific standardized structure and supports payer questions that can be customized by member and medication.
- ⊙ Uniform PA forms ...
 - could be a stopgap until electronic processing is ready ... or a diversion.
 - are a solution for a provider who can't find a payer's specific paper form;
 - are intended to homogenize the demographic data without regulating specific payer clinical requirements.
 - may not contain all of the needed clinical information for condition and/or medication-specific PA, possibly resulting in additional back-and-forth manual or electronic communication.
- ⊙ It is critical that drugs that require PA be identified. Such drugs often vary by patient and plan, and step-therapy may be part of the benefit design.

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Why NCPDP SCRIPT transactions vs X12 278?

- Interest is and has been predominantly from the prescribing and pharmacy benefit perspective in the
 - 2006 pilots
 - 2009 Expert Panel
 - 2011
 - 2012-2013 task group
- ASC X12 278 and 275 version 5010 supported limited functionality
 - No apparent industry use of X12 XML in prior authorization
 - Question set responses limited to yes/no answers
 - Questions in an attachment instead of in the main transaction
- HL7 Drug PA Attachment remained in draft status; no further work from industry.
 - Built on CDA release 1. Industry has moved to CDA release 2.
 - Too complex as created.

Why NCPDP SCRIPT transactions vs X12 278?

- Interest in using NCPDP draft XML-based transaction set brought forward with question sets
 - Based on SCRIPT Standard
 - Industry ready, pilots were beginning
 - Prescribing vendors were supportive of reuse of SCRIPT and wanted to see industry movement on prior authorization transactions
 - Interest from eprescribing, pharmacy benefit perspectives
 - Operational flow works with eligibility transaction and formulary and benefit file exchanges used in eprescribing functions