

Prior Authorization Conversation at HMSA

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Stefanie Park, M.D., MBA

Vice President and Chief Medical Officer

HMSA



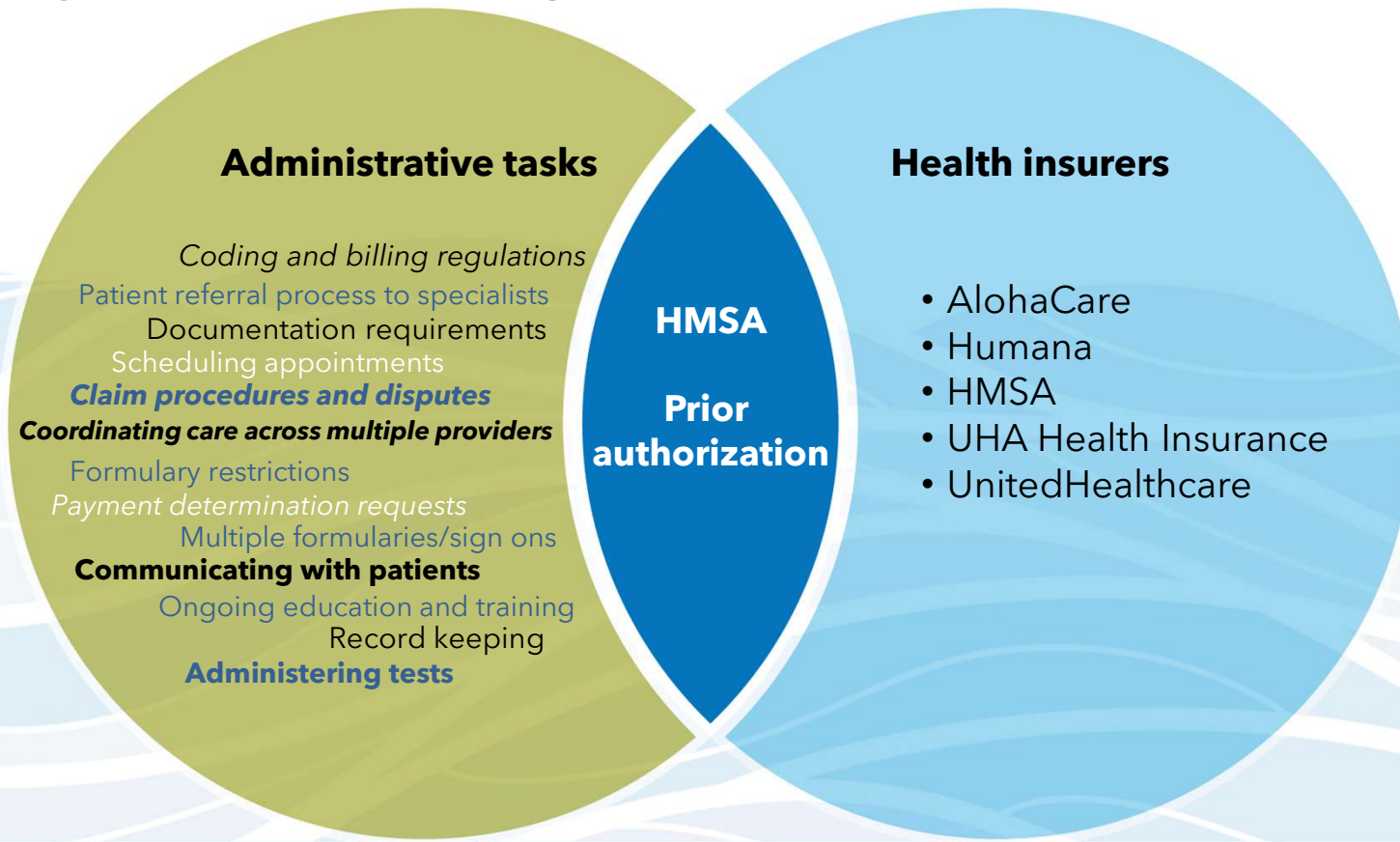
An Independent Licensee of the Blue Cross and Blue Shield Association

Background

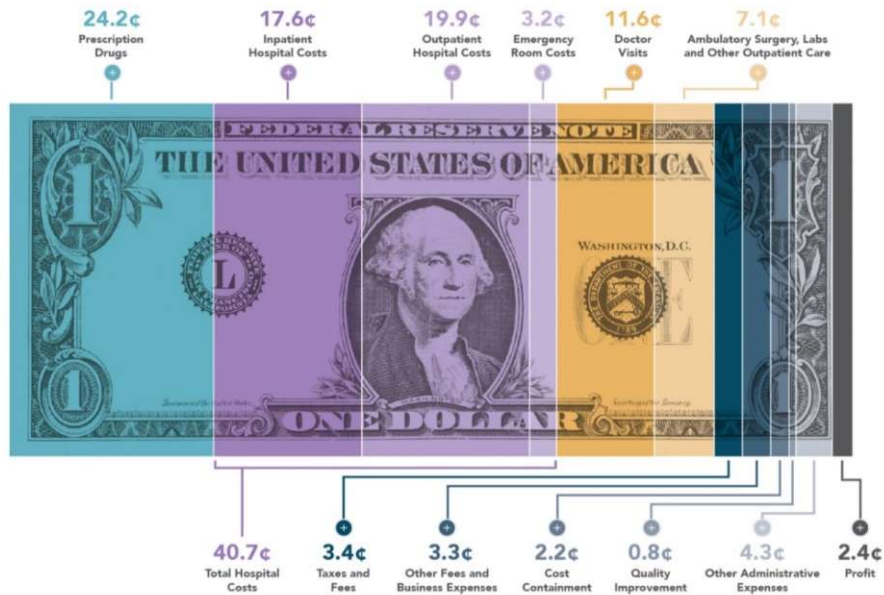


- Internal medicine board certified
- HMSA medical director since 2013
- Shidler College of Business 2020
- Current scope: Pharmacy and Medical Management, Clinical Integration, and Mālama Ola employee well-being program
- Personal purpose statement: To create a health care experience worthy of my family, friends, and neighbors

Scope of Today's Conversation



Finance of Health Care



93 cents
Health care benefits

7 cents
Administrative costs



Prior Authorization: Overall Stats

Cost avoidance

\$157.6M



Total claims paid

17M



433K Total PA requests



(Includes services that don't require PA)

Total denied

42K



Denial rate

9% -10%



Prior Authorization: Current State



Prior Authorization: Future State

- One modern platform: Faster decisions, real-time approvals
- Reduction in prior authorization scope
- Transparency tool
- Standardized process across lines of business
- Denials with a clear and consistent rationale
- Streamlined operations with self-service tools
- Evolved Fast Pass system

Opportunities for Collaboration

- Fast Pass and Red Card programs that are clinically sound
- Reporting: Balance between what's mandated & what's actionable
- Continuing medical education for evidence-based best practices
- Prioritize modernization & evolution of prior authorization program

A Better Future is Ahead

- Our work is just beginning - we need to work together
- We can and will do better
- Change will be hard, but is necessary to get to the improved state
- Modernization of the system: Technology will help us
- Improved communication and collaboration
- Thank you for your partnership

Mahalo!

Questions?