



2022 ROUNDTABLE REPORT

Optimizing Efficiency of Prior Authorization Processes for Payers and Providers

October 26, 2022

Hosted by the National Association of
Healthcare Access Management

INTRODUCTION

The National Association of Healthcare Access Management (NAHAM) hosted its first roundtable to bring together payers, providers, industry partners, and patient access professionals to brainstorm potential solutions to prior authorization challenges. In its current form, prior authorization results in increased healthcare costs and administrative burdens, delays in patient care, and potential harm to patients. NAHAM recognizes the urgent need to change current prior authorization processes and responded by establishing a Prior Authorization Task Force, developing a whitepaper, and hosting this roundtable. Roundtable participants shared their unique challenges with prior authorization, and worked together to propose feasible solutions that would improve prior authorization for all.

CHALLENGES

In 2021, NAHAM's Prior Authorization Task Force surveyed NAHAM members on patient access professionals' greatest challenges with prior authorization, and found two main themes: 1) a lack of standardization and 2) a need for greater automation. NAHAM also held listening sessions prior to its roundtable with its business partners to understand their challenges, which were 1) integration of the 278 standard transaction into the electronic health records (EHR) and 2) transparency of prior authorization policies and procedures. Patient access professionals' and NAHAM's business partners' challenges are outlined in more detail in the [Prior Authorization Whitepaper](#).

The Roundtable was the first opportunity to hear from payer participants on their challenges with prior authorization, which included:

- Governmental regulation
- Employer restrictions in coverage
- Provider contracts
- Time limits for decision-making
- Variable inputs from providers
- Access to clinical criteria
- Providing notice of policy changes
- Keeping up with market standards
- System limitations of portals

All participants acknowledged that there are no simple solutions to the many prior authorization challenges, but collaboration is a much-needed step toward improvement.

BREAKOUT GROUPS

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During the roundtable, participants separated into two breakout groups and were provided with the following prompts:

Group 1

- How can we establish and implement evidence-based prior authorization policies and procedures that use the most current data?
- How can we implement a standard prior authorization grace period?
- How can we better integrate technology with EHR to support prior authorization?

Group 2

- How can we standardize the process of reviewing clinical data and updating requirements on a regular basis?
- How can we incorporate diagnosis codes as the foundational information to support medical necessity in authorizing treatment?
- How can we be more transparent in prior authorization policies and procedures?

Group 1 noted that major firms providing guidance on clinical evidence to payers all have their own subject-matter experts who may have conflicting views on current evidence. The 278 standard transaction is a good, common dataset that already exists, but is limited in the type of detail that the provider needs to enter for the payer to effectively determine coverage. It will therefore be necessary to create a centralized library of data that all providers, payers, and patients can access. In response to their second prompt, Group 1 liked the idea of a standardized grace period, but did not believe it to be feasible to get all payers to agree to one. Finally, this group talked about the idea proposed in the whitepaper to use diagnosis codes as the foundation for prior authorization. This would be a simple way to integrate technology with EHRs to make prior authorization more efficient, but work needs to be done to analyze all possible implications of using diagnosis codes.

Group 2 came to a similar conclusion as Group 1 regarding standardizing the data and clinical criteria for authorization. As there are already industry standards in this area, NAHAM could advocate for a centralized body that would use evidence from major firms and publish it in one central, transparent, and open database. This centralized body could also provide the application programming interface (API) so that all vendor softwares can access it, and it would be workable with all EHRs. Group 2 also proposed standardizing the review dates of guidelines so that all payers are aligned and providers know when to expect updates. Finally Group 2 proposed a reliable, consistent location where providers can go to get accurate information from payers.

FULL GROUP DISCUSSION

Upon reconvening, each group shared their ideas and all participants further discussed what solutions were feasible and what actions should be prioritized. First and foremost, NAHAM needs to raise its voice and become a recognized organization in the industry. In this way, NAHAM could help shape industry standards to implement before they are prescribed, as has been the case historically. If potential solutions to prior authorization are prescribed without NAHAM's input, they could prove more burdensome than helpful.

Secondly, NAHAM's business partners reiterated that the adoption of the 278 standard would be a simple and feasible next step, as the dataset already exists. Participants also envisioned a clearinghouse that would evaluate claims and send them back to the payer and provider. With the upcoming implementation of advanced explanations of benefits, now would be the perfect time to propose the creation of such an organization. This idea also aligns with both breakout groups' ideas to centralize the clinical evidence into a library that is easily accessible by patients, providers, and payers.

Centralizing the prior authorization process has the potential to improve efficiency and transparency for all parties. Thus, the logical next step for centralization would be through regulations, as the Centers for Medicare and Medicaid Services (CMS) are already considering options for improving prior authorization. However, as private insurance companies are not currently regulated by CMS, it could be a large obstacle to overcome. A starting point for moving toward centralization would be increasing transparency around what requires authorization, which should be in a standardized format, machine-readable, and easy to find.

NAHAM understands that all of these proposed solutions each contain their own challenges and difficulties. The status quo is not working for anyone, especially patients, but there is a willingness among industry entities to find and implement solutions to these challenges.

NEXT STEPS

The roundtable concluded with a discussion on viable next steps for prior authorization reform. All participants verbally confirmed that they are committed to this effort and would like to stay engaged with NAHAM moving forward. The proposed next steps included:

- Perform an environmental scan of what other organizations are doing to improve prior authorization, and find opportunities for further collaboration.
- Bring more organizations to the table, which would also raise awareness of NAHAM's activity in prior authorization.
- Make an enduring connection with CMS so that CMS recognizes NAHAM as a source for prior authorization solutions.

NAHAM's Government Relations team will continue to work with NAHAM's Prior Authorization Task Force and partner with roundtable participants to develop and implement solutions to improve efficiency in prior authorization.

NAHAM thanks all of the roundtable participants and looks forward to new and continued collaboration to create a more efficient and effective prior authorization process. Please contact Jennifer Trotter, Government Relations Manager (jtrotter@naham.org) with any questions about this report, the NAHAM Prior Authorization Roundtable, or NAHAM government relations efforts.

ROUNDTABLE PARTICIPANTS

NAHAM would like to thank the following partners for participating in NAHAM's inaugural prior authorization roundtable:

- AccuReg
- Anthem
- Blue Cross Blue Shield of Rhode Island
- Change Healthcare
- Optum
- Voluware
- NAHAM's Prior Authorization Task Force members