

THE SOLUTION:
Streamline prior authorization process on deadlines, peer reviews and information exchange.

Many insurance plans apply prior authorization requirements that lead to dangerous delays, clinician burnout and cost increases for the health care system. Too often there is no clear clinical justification and the delays and denials hurt patient outcomes and create far more serious health repercussions.



WELL-INTENTIONED PROGRAM USED POORLY CREATES ISSUES IN CARE AND FINANCIAL STABILITY

Prior authorization is not a new issue between providers and payers. When appropriately applied, providers recognize the value of prior authorization in ensuring patients are receiving the right care at the right time.

Unfortunately, the overutilization of prior authorizations has begun to threaten patient welfare through increased denials and delays and by pulling providers away from the bedside to manage an onerous authorization process. All of these measures are adding to the cost of health care.

A 2021 survey of Kansas hospitals showed the following:

- All respondents had experienced prior authorization delays and denials.
- 92 percent indicated the prior authorization process often leads to negative impacts on patients resulting in more tests and treatments that ultimately increase the overall cost of care.
- 43 percent of survey respondents indicated the process of prior authorization results in delays of access to medically needed care, with many of those reporting those delays mean longer recovery times, additional hospitalizations and readmissions, life-threatening events for patients and permanent disability.
- It takes up to five hours of administrative time to process a complex prior authorization form.

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**CMS TAKES ACTION**

The critical element in the prior authorization process is time. The newly finalized Centers for Medicare and Medicaid Services regulations standardize the process, address timeliness by setting response deadlines and establish standards for electronic information exchange.

In addition, the rules include criteria for denial notices that will allow providers to resubmit the appropriate information once a prior authorization denial is received promptly. Kansas hospitals applaud these steps to improve patient care in the Medicare and Medicaid programs.

A CONGRESSIONAL SOLUTION

Standardize processes on prior authorizations that address timelines, peer review criteria and information exchange are needed. Support *Improving Seniors' Timely Access to Care Act* (H. 8487) to ensure unnecessary encumbrances do not keep anyone from receiving the care they need in a timely manner.



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