MedChi NEWS

PRIOR AUTHORIZATION: MD HEALTHCARE'S LATEST REALITY CHECK

A MESSAGE FROM THE CEO

PRIOR AUTHORIZATION: MD HEALTHCARE'S LATEST REALITY CHECK

Prior Authorization is costly and time-consuming for both physicians and patients. In a primary care setting, research has shown that the process of prior authorization can cost between $2,161 and $3,430 (according to the NIH) and can take on average two full business days to complete. Any delay in access to medicinal care poses a significant risk to patient health.

MEDCHI PRESIDENT DR.PADMINI RANASINGHE AND FELLOW MECHI MEMBERS ADVOCATE AGAINST BILL HB867

ACCORDING TO THE AMA, RESEARCH CONCLUDES THE FOLLOWING CONCERNS SURROUNDING PRIOR AUTHORIZATION:

- "Research indicates that patients who face denials for medications requiring prior authorization incur nearly $2,000 more in healthcare costs compared to those who receive approval."
- "Data indicates that the operational costs of prior authorization for physicians are significant, with primary care providers incurring expenses ranging from $2,161 to $3,430 annually."
- "In specialized settings, such as dermatology, the financial toll is even more pronounced, where completing prior authorization requests for biologic medications averages around $15.80 per request, accumulating to over $3,454 in just one month."

MEDCHI SUPPORTS THE FOLLOWING PRIOR AUTHORIZATION REFORM INITIATIVES PROPOSED BY THE AMA

- Establishing expedited response times (24 hours for urgent requests, 48 for non-urgent).
- Ensuring adverse determinations are made by state-licensed, specialty-matched physicians.
- Prohibiting retroactive denials for preauthorized care.
- Validating authorizations for a minimum of one year, particularly for patients with chronic conditions.
- Mandating public transparency regarding insurers' prior authorization data, including approvals, denials, and wait times.
- Recognizing a patient's prior authorization for at least 90 days.
- Implementing targeted volume reduction strategies, such as exception or gold-carding programs.

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