



Providers Applaud Bill To Establish Electronic Prior Auth System For MA

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Providers applauded a bipartisan House bill reintroduced Thursday (May 13) that would create an electronic prior authorization system to streamline and increase transparency around prior authorization for Medicare Advantage plans. The health insurance lobby didn't directly comment on the bill but said treatment variations can lead to unnecessary or costly medical treatments. One provider organization representative said the bill might have stalled when first introduced in 2019 partly because of insurer pushback.

The bill, known as the Improving Seniors' Timely Access to Care Act, would require any MA plan that uses prior authorization for items and services other than Part D drugs to implement an electronic program beginning with the second plan year after the passage of the law.

HHS would be required to create a list of items and services eligible for real-time decisions under an electronic program, to be updated every two plan years and to be implemented through notice and comment rulemaking. MA plans would then have to provide real-time prior authorization decisions to providers for those items and services listed.

The legislation also seeks to standardize the prior authorization process for routinely approved items and services, ensure requests are reviewed by qualified medical personnel, require MA plans to report to CMS on their prior authorization use and the rate of approval and denial and encourage prior authorization programs to follow evidence-based medical guidelines.

"The majority of the health care community agrees that prior authorization needs to be reformed. This bipartisan legislation creates sensible rules for the road and will offer transparency and oversight to the prior authorization process," Rep. Suzan DelBene (D-WA), one of the four original cosponsors of the bill, said in a statement.

The bill introduced Thursday has slight differences from the 2019 version, including the addition of a provision asking the Medicare Payment Advisory Commission to send a report to Congress within three years that analyzes the use of prior authorization and improvements that might need to be made to MA plans' electronic prior authorization programs.

Though providers and payers are often divided on prior authorization, with providers saying it creates administrative burden and insurers saying the mechanism is necessary to make sure appropriate care is given, the two groups came together in 2018 to write a consensus statement on reforming prior authorization. The Improving Seniors' Timely Access to Care Act is based off that statement.

Although the bill had wide-reaching bipartisan and bicameral support in the 116th Congress, with 280 cosponsors, it never received a vote on the House floor.

Claire Ernst, associate director of government affairs at the Medical Group Management Association, speculates that pushback from insurance groups, along with the chaos of the COVID-19 public health emergency, may have contributed to the bill's stalling in the 116th Congress.

America's Health Insurance Plans did not directly comment on the recently introduced bill, but AHIP Spokesman David Allen told Inside Health Policy that the group supports collaborative efforts to improve prior authorization -- AHIP has backed an electronic prior authorization pilot program. However, Allen also said AHIP believes variations in treatment can lead to unnecessary or costly medical treatments that can harm patients.

But providers were thrilled to see the legislation reintroduced. MGMA issued a statement saying the bill would allow physicians to focus on treating patients. MGMA said it is eager to help get the legislation passed quickly.

John Ratcliff, a practicing neurosurgeon and chair of the American Association of Neurological Surgeons and the Congress of Neurological Surgeons Washington Committee, said in a release that the groups also look forward to working with Congress and the Biden administration to pass the bipartisan bill.

Susan Bailey, president of the American Medical Association, which has been vocal in asking for prior authorization reform, said in a statement included in the sponsoring lawmakers' press release on the bill that the group commends the bill's introduction. The legislation puts patients' needs first, she said. -- Maya Goldman (mgoldman@iwpnews.com)