

**PRIOR AUTHORIZATION REFORM**  
*Improving Seniors' Timely Access to Care*

**REQUEST**

The Alliance of Specialty Medicine (the “Alliance”) urges members of Congress to support prior authorization reforms, including **asking the Centers for Medicare & Medicaid Services (CMS) to expand and finalize pending rules that would reign in the overreaches of Medicare Advantage (MA) plans** that delay and deny care through utilization management tools like prior authorization. Once reintroduced, the Alliance urges Congress to co-sponsor and vote for the *Improving Seniors' Timely Access to Care Act*.

**BACKGROUND**

Prior authorization is a cumbersome process that requires physicians to obtain pre-approval for medical treatments or tests before rendering care to their patients. The process for obtaining this approval is lengthy and typically requires physicians or their staff to spend the equivalent of two or more days each week negotiating with insurance companies — time that would better be spent taking care of patients. Patients are now experiencing significant barriers to medically necessary care due to prior authorization requirements for items and services that are eventually routinely approved.

Specialty physicians and their patients are often subject to prior authorizations and other utilization management tactics in the MA program. Generally, utilization management processes delay enrollee access to medically necessary care and treatments and create considerable, unnecessary administrative burdens for specialty physicians. Equally concerning, these tactics are a leading cause of physician burnout, forcing many to retire early or leave the practice of medicine. While utilization management processes, such as prior authorization, may be appropriate in some situations, the U.S. Department of Health and Human Services (HHS) Office of Inspector General has found that MA plans use prior authorizations to deny medically necessary care that meets coverage requirements under traditional Medicare and is supported by the enrollee’s medical records.<sup>1</sup>

***Alliance Survey & Key Findings***

The findings of a recent Alliance survey underscore the burden of utilization management protocols on the practice of medicine — both in terms of the negative impact on patient care and the increased administrative onus on medical practices.<sup>2</sup> Respondents overwhelmingly indicated that the use of prior authorization has increased in the last five years across all categories of services and treatments:

- Over 93% of respondents answered that prior authorization has increased for procedures;
- More than 83% answered that prior authorization has increased for diagnostic tools, such as labs and even basic imaging; and
- Two-thirds (66%) responded that prior authorization has increased for prescription drugs, with physicians noting that even many generic medications now require pre-approvals.

Given these significant problems, the Alliance supports opportunities to meaningfully improve utilization management practices, such as prior authorization, to reduce administrative burdens and ensure safe, timely and affordable access to care for patients.

<sup>1</sup> <https://oig.hhs.gov/oei/reports/OEI-09-18-00260.asp>.

<sup>2</sup> <https://specialtydocs.org/wp-content/uploads/2022/12/ASM-2022-Survey-Summary-Findings-.pdf>.

## **CONTINUED PROGRESS FOR REFORM**

### ***Bipartisan, Bicameral Legislation has Significant Support***

During the 117th Congress, the Alliance endorsed H.R. 3173/S. 3018, the *Improving Seniors' Timely Access to Care*, which garnered 380 combined bipartisan co-sponsors and passed the House of Representatives unanimously by voice vote. The legislation sought to increase transparency and accountability and reduce the burdens of prior authorization in the MA program by:

- Establishing an electronic prior authorization process;
- Minimizing the use of prior authorization for services that are routinely approved;
- Requiring plans to report on the extent of their use of prior authorization, including the rate of delays and denials;
- Ensuring prior authorization requests are reviewed by qualified medical personnel; and
- Ensuring that plans adhere to evidence-based medicine guidelines.

### ***Pending Regulations would Improve Prior Authorization in Medicare***

On April 5, CMS released a final rule<sup>3</sup> — which goes into effect on Jan. 1, 2024 — to improve prior authorization in the Medicare Advantage program by ensuring:

- Prior authorizations remain valid through the entire course of treatment and for a 90-day transition if a patient changes plans;
- Medicare Advantage plans follow national and local Medicare coverage policies; and
- Plans do not deny coverage of pre-authorized services.

Another proposal is pending finalization. This proposed rule would increase transparency, streamline, and standardize prior authorization, including implementing an electronic prior authorization program.<sup>4</sup> These rules align with the *Improving Seniors' Timely Access to Care*.

### ***Recent Efforts to Examine Prior Authorization***

We thank lawmakers for their efforts in recent months to examine medical care delays and denials in the MA program, including:

- Letters to HHS and CMS urging the agency to expand and finalize its proposed prior authorization rule;<sup>5</sup> and
- Senate Homeland Security and Governmental Affairs Committee hearing on May 17, 2023, titled “*Examining Health Care Denials and Delays in Medicare Advantage*.”<sup>6</sup>

The Alliance encourages Congress to stay the course and continue efforts to ensure patients receive timely access to specialty care.

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<sup>3</sup> <https://www.cms.gov/newsroom/press-releases/hhs-finalizes-rule-strengthen-medicare-improve-access-affordable-prescription-drug-coverage-and-hold>.

<sup>4</sup> <https://www.cms.gov/newsroom/press-releases/cms-proposes-rule-expand-access-health-information-and-improve-prior-authorization-process>.

<sup>5</sup> Nearly 300 combined bipartisan senators and members of the House of Representatives signed this letter. Both letters are available at [https://delbene.house.gov/uploadedfiles/senate\\_ma\\_pa\\_letter\\_to\\_cms\\_6.21.23\\_final-merged.pdf](https://delbene.house.gov/uploadedfiles/senate_ma_pa_letter_to_cms_6.21.23_final-merged.pdf).

<sup>6</sup> <https://www.hsgac.senate.gov/subcommittees/investigations/hearings/examining-health-care-denials-and-delays-in-medicare-advantage/>. The Alliance submitted a statement for the record available at <https://specialtydocs.org/wp-content/uploads/2023/06/ASM-letter-to-HSGAC-Medicare-Advantage-delays-and-denials-May-2023.pdf>.