

SIMPLIFY PRIOR **AUTHORIZATION**

WE ALL BENEFIT

The Future
for Insurers
and PBMs





In previous [SPA blogs and podcasts](#) we have addressed [patient and physician perspectives](#) on the current group benefit private payer prior authorization (PA)¹ process. For those who need a refresher, PA is typically used by insurers as a manual claim submission and review process for high cost (specialty)² or high utilization prescription drugs. This process manages access to ensure only those who meet eligibility criteria set out by each insurer have access to these drugs, and it is used to ensure appropriate utilization and mitigate financial risk.

Qualitative research conducted in spring 2020 by Connex Health Consulting and the Pangaea Group with stakeholders³ involved in the PA process examined the challenges and opportunities in the current system. The result was the [White Paper on Prior Authorization Practices](#) released in November 2020. Research results found that the current manual PA claims process is the biggest challenge to access for patients because of the high administrative burden and the increasing number of drugs requiring prior authorization.

¹ Also called special authorization.

² Specialty drugs are typically those drugs with an annual cost of \$10,000 or more.

³ Stakeholders in this context are insurers, pharmacy benefit managers (PBMs), prescribers, patient support programs (PSPs), specialty pharmacy and drug access navigators (DANs)

Stakeholders involved in the PA process report that the administrative burden of the current manual PA process is time consuming and inefficient, delaying patient access to prescribed medications, which can sometimes have significant health consequences and be stressful for patients. According to PA stakeholders, patients can wait weeks for the review and approval of their claim not only because claim forms pass through multiple stakeholders for completion, submission, and approval, but the process is often delayed by using mail or fax for submitting claims to payers⁴, and for the back and forth communications between stakeholders to gather missing or additional information. Added to this burden are the faxes sent to payers that go missing, and the volume of PA requests, causing further delays. Claim submission and ongoing communications by mail and fax can stretch the time for review and approval of PA claims to many weeks instead of days for patients who urgently need prescribed therapies.

The white paper called for improvements in PA to create a more patient centric process, while recognizing payer autonomy over actual adjudication criteria. Due to the competitive nature of group insurance, it is difficult to engage with payers to improve, harmonize and simplify this process for patients.

⁴ Payers can be insurance companies or pharmacy benefit managers who adjudicate PA claims on their behalf.

The Simplify Prior Authorization (SPA) initiative was launched in November 2020 with the financial support of several pharmaceutical manufacturers and Innovative Medicines Canada. The project manager is Connex Health. The mandate of the group is to address the recommendations of the white paper. The initiative has attracted some payers and many other PA stakeholders who are willing to work collaboratively to improve the process. These stakeholders are involved because they believe the PA workflow needs an overhaul. They are working together to develop change in the current landscape that will create a simplified patient centric PA process and reduce the time from prescribing to reimbursement.

Not all challenges in the PA process are created or fixable by payers alone. One of the primary deliverables from the SPA initiative will be an agnostic electronic platform for use by stakeholders to complete and submit PA claims forms and additional medical documentation. The platform will be available for use by all stakeholders involved in the preparation and submission of PA claims to payers.

To deliver a true electronic PA (ePA) process, and create maximum efficiencies, payers will need to adopt an internal electronic platform for PA claims, be willing to receive e claim submissions, accept e signatures, and use the platform to communicate additional requirements, questions and to approve claims electronically. The SPA ePA and payer ePA platforms can work together seamlessly while payers retain their autonomy over criteria and adjudication protocols. To achieve maximum efficiencies will require more collaboration between payers and non payer PA stakeholders than currently exists.

Why is this issue critical to address now? The submission process is growing increasingly complex:

✓ **The list of drugs subject to PA is growing .**

More specialty drugs are entering the Canadian market, and the occasional block buster drug. By some estimates there are currently 250 or more prescription drugs subject to prior authorization within at least some carriers.

✓ **Each payer has their own claim forms for PA.**

Payers sometimes have multiple versions of forms by therapy or indication which are often regularly updated. When working with patients, PA stakeholders must identify the right payer and the right form for the therapy and/or indication, and make sure the form is up to date. This adds time and cost to the submission process.

✓ **No coordinated workflow process for payers and PA stakeholders.**

A substantial infrastructure is required for the manual preparation, submission, and adjudication of claims. This is costly to all stakeholders and will be increasingly so with the expected growth in the number of PA drugs. An ePA solution would create efficiencies of time and resources as well as being of benefit to patients.

✓ **Provincial health ministries are moving online.**

Several provincial governments have already or are in the process of adopting electronic systems for special authorization. As of 2022 the public special authorization process in Ontario will no longer be a paper-based process. SADIE⁵, already in use for electronic submissions, will be the only option available for submission of public special authorization claims in Ontario.

⁵ SADIE is the Ontario Ministry of Health and Long-Term Care 'Special Authorization Digital Information Exchange'

A Complicated Process: “There is often an aura of desperation in the doctor and the patient and then you are faced with a complicated bureaucratic process that seems to be obstipated and not as efficient as it might be. I think there is a need to streamline, to get to a decision, if the decision is no, we want to know sooner rather than later. Sometimes the patient declines to the point where they become untreatable.”

Dr. Mark David Vincent, MB, ChB, MRCP(UK), FRCPC, Medical Oncologist, London Regional Cancer Program recently speaking with Denise Balch, President, Connex Health in [Simplify Prior Authorization Podcast #3](#)

What are the barriers to an electronic solution? Ideally an ePA solution will be one agnostic software platform that will allow all stakeholders to access it to efficiently complete their role in the PA process. This solution, like any other, would require appropriate security, protection of personal health information, and layers of access depending on function to ensure stakeholders only have access to their piece of the claims process. There is some resistance to this type of agnostic solution, although the inefficiencies of the current manual process are widely acknowledged.

Those involved in the SPA initiative believe that most non- payer PA stakeholders in the private sector can be engaged. It can coordinate stakeholders at the ‘front end’ to complete claim requirements electronically under one agnostic platform prior to submission to the payer, but this first step can only go so far to improve the process for patients and PA stakeholders. Without adoption of ePA by payers, the SPA initiative can only go so far to simplify prior authorization.

A pilot for an agnostic ePA solution that will address the workflow process from prescriber to submission to the payer is under development. Payers are encouraged to join this initiative and work with other stakeholders to collaborate and explore solutions that will facilitate their move to an internal ‘back end’ ePA solution. Once the SPA ePA solution is in place payers who are using a CRM to manage PA claims, or who adopt one, can make the first steps to an electronic PA process while retaining their autonomy and their unique claims criteria for reimbursement.

The SPA initiative is committed to developing ePA and other solutions that will improve the access process for patients and the user experience for PA stakeholders, including payers. You can find the white paper and the history of our public communications on our website at www.simplifypriorauth.ca.

We can and we must do better. When we do, we all benefit.

You can direct questions, comments and inquiries to project manager,

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