Topical Review

Electronic Prior Authorizations (ePA)

June 20, 2011

Electronic Prior Authorization technology is coming soon. Standards have already been developed and are currently being revised in anticipation of widespread adoption. This document will help identify current best practices and how those practices may change when this new technology becomes available.

Getting Ready for Electronic Prior Authorizations: Medical Office

1. Invest time to develop a prior authorization workflow that works best for your practice. Consider addressing the following points.
    a. Today, document your current process for prior authorizations and save the work for later use
        i. Who manages the process currently?
        ii. Who starts a prior authorization? Who finishes it? Who delivers it?
    b. When your vendor indicates ePA is on their list of planned upgrades, meet with staff and stakeholders to discuss electronic prior authorizations.
        i. How will ePA change roles and responsibilities?
            1. For example, some e-prescribing workflows shift work from staff to prescribers. Will the staff then be expected to have a larger role with managing ePA?
        ii. How will patients be informed of ePA processes?
            1. Electronic prior authorizations put the medical office prescriber and staff in the best position to provide this education instead of the pharmacy.
        iii. How will communications with the pharmacy change?
        iv. What situations require a change to an approved therapy versus completing the authorization requirements for the intended therapy?
        v. What medications have acceptable alternatives? Under what conditions?
            1. Consider creating a list of acceptable alternatives for staff reference.
    c. When ePA is available, create written protocols for staff and prescribers to use as a guide.
        i. Define how prior authorizations are started from new prescriptions and renewal requests.
        ii. Define responsibilities of staff and prescribers.
        iii. Define how patients will be educated and informed regarding any prior authorization process that affects them.
        iv. Define how new staff and providers will be educated and informed regarding the prior authorization process.
        v. Define how to communicate the office's management of prior authorizations to local pharmacists.
            1. Consider creating an FAQ that can be readily faxed to pharmacies as needed.
2. Use electronic prescribing, preferably in an electronic health record that has formulary alerts.

Getting Ready for Electronic Prior Authorization: Pharmacies

1. Invest time to develop a prior authorization workflow that works best for your pharmacy. Consider addressing the following points
    a. Today, document your current process for prior authorizations
        i. Who manages the process currently? How is it documented? How is it followed up?
    b. When your vendor indicates ePA is on their list of planned upgrades, meet with staff and stakeholders to discuss electronic prior authorizations
        i. How will roles and responsibilities change within the pharmacy? With providers?
        ii. How will patients be informed?
        iii. How will provider interactions change?
        iv. What criteria determine whether a patient is referred to their provider or managed in the pharmacy?
    c. When ePA is available, create written protocols for staff and prescribers to use as a guide
        i. Define responsibilities of staff and pharmacists
        ii. Define how patients will be educated and informed regarding any prior authorization process that affects them
            1. Consider working with local providers to determine whether general expectations fall to pharmacy to provide this education or to the providers
        iii. Define how new staff and providers will be educated and informed regarding the prior authorization process
        iv. Define how to communicate the pharmacy's management of prior authorizations to local providers
            1. Consider creating an FAQ that can be readily faxed to providers and be made available for patients
2. Reach out to local providers to understand their electronic prior authorization processes

References and further information

Brief summary of the state of ePA: http://www.healthit.gov/buzz-blog/from-the-onc-desk/eprescribing-standards-eprior-authorization/

NCPDP progress on ePA standards: http://www.ncpdp.org/PDF/NCPDP_prior_auth_workflow.ppt
http://www.pocp.com/images/pdfs/ePrior_Auth_-_AMCP_-_Final__Final.pdf

Minnesota ePA work: http://www.health.state.mn.us/asa/drugauth122109mtgmat2.pdf

ePA Prescriptions

Bottom Line: Work shifts from the pharmacy to prescribers and staff

Current Best Practice:	Expected change after ePA:

Providers often learn of the need for prior authorization when creating and renewing prescriptions in one of two ways.
• When responding to an electronic renewal request – a formulary alert appears and suggests a prior authorization is needed.
  ○ In offices where support staff is the initial responders to renewal requests, this prior authorization information may be forwarded to the prescriber.
• The prescription is already written and the pharmacy discovers the need for prior authorization when transmitting the claim to the insurer. The pharmacy usually faxes this as a request back to the prescriber for review, which is also mediated by the office support staff. Both paths lead to a common next step: starting the prior authorization process.
In most cases, office staff will initiate or complete the prior authorization form and give it to the prescriber for review and approval. Then, office staff sends the form to the insurer and answer any future pharmacy questions regarding the status of the prior authorization.
	An electronic prior authorization alters the current best practice in several fundamental ways.
	• Responding to an electronic renewal request (or creating a prescription) where prior authorization is required generates a formulary alert. This immediately places the prescriber in a position of reviewing and authorizing the submission of the prior authorization as part of finishing the prescription; alternative medications can be chosen and justifications can be documented.
	  ○ If the ePA cannot be completed at that moment, the prescription itself may be placed on hold until the prior authorization can be resolved.
	• The provider or office staff needs to inform and educate the patient regarding the prior authorization and any prescription delays.
	  ○ In offices where office staff is the initial responders to electronic renewal requests, business rules are needed to define how this prior authorization alert should be handled.
	In some cases, the prescription is already written and the pharmacy discovers the need for prior authorization when transmitting the claim to the insurer, assuming the prescriber's system allowed the prescription to be sent without a completed ePA present. The pharmacy will need to follow up with the insurer or the provider's office staff to determine the status of the ePA.

Rationale: Electronic prior authorizations remove several steps in the prior authorization process. This shifts much of the burden of management to the prescriber while many of the secretarial functions of putting information into a form are now computerized and automatically completed. This shifts the discovery of the need for prior authorization away from the pharmacy to the provider's office, and carries the burden of patient education with it.

ePA Documentation

Bottom Line: Automation helps save time, but work may be assumed for reports and quality assurance.

Current Best Practice:	Expected change after ePA:
• Prior authorizations are generally documented by office staff in a separate binder, as part of the chart, or not at all. • Pharmacists often make notations on the reverse of the prescription to document prior authorization activities, or add an electronic note to the patient's profile.	• Prior authorizations will be recorded in the prescriber's software and may be tagged as approved when they arrive at the pharmacy. • In some electronic health records, this information may also be pushed to other data consumers such as patient portals, HIE[1]'s, and other parts of the patient's internal record. Software vendors will determine the robustness of adhoc documentation available for ePA. • Certain offices may want to use ePA for the generation of reports, suggesting additional work might be taken on by office staff to manage the data reporting. • Reports on ePA activity can be used for quality improvement, measuring outcomes, nonadherence reports, measures of workload, and more. Again, potentially more work assumed.

Rationale

The digitized and archival form of ePA lead immediately to ways the data can be transformed to information. Since the relative accessibility of this information is almost solely determined by vendors, there will likely be a large variety of documentation capability from one product to another. The robustness of documentation options may lead to the assumption of more work by office support staff in the form of reports and quality assurance activities even as automation and workflows shift work to the prescribers.

[1] HIE = Health Information Exchange

ePA Patient and Staff Education

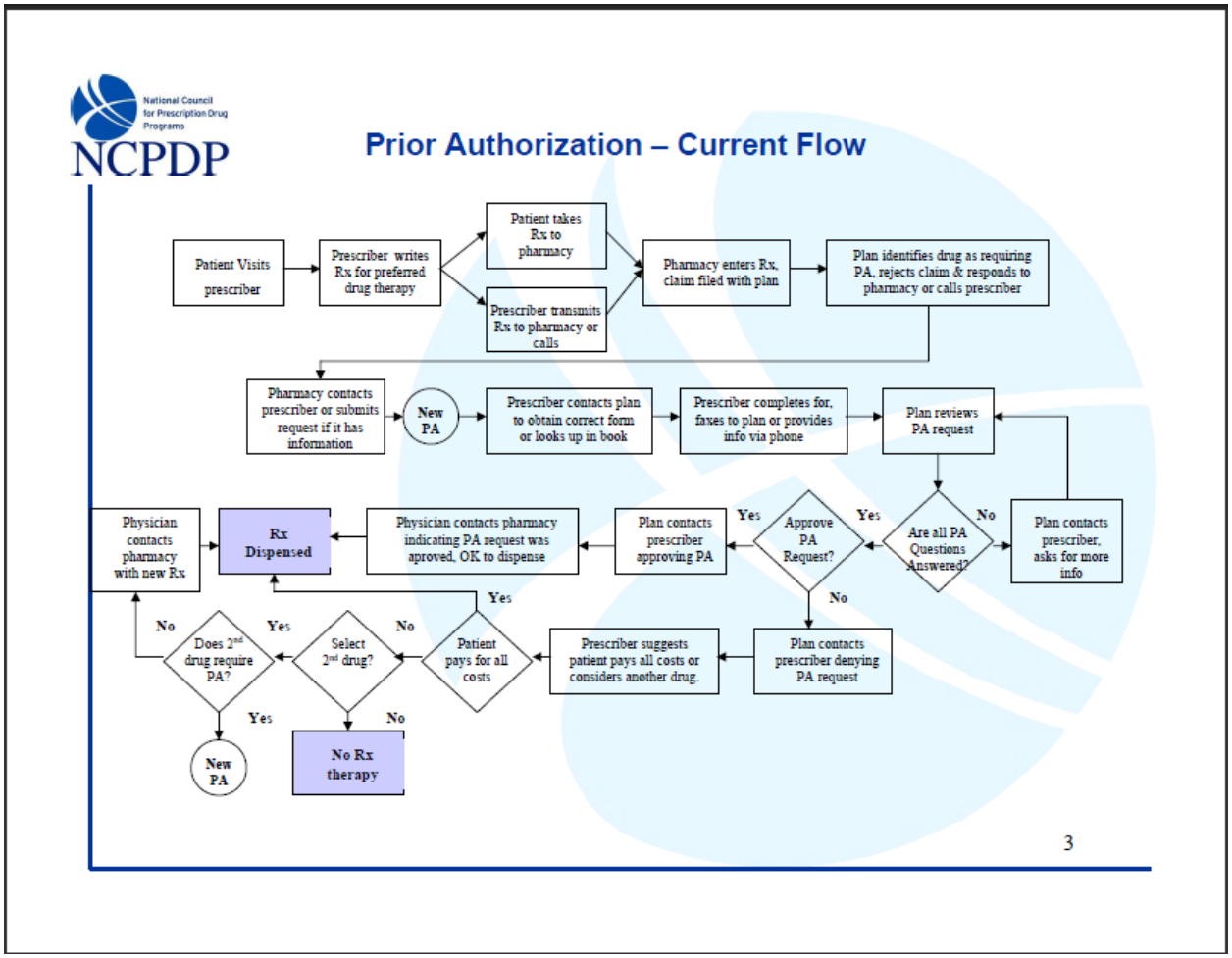
Bottom Line: Work shifts from the pharmacy to the prescriber and office staff.

Current Best Practice:	Expected change after ePA:
Patients learn about prior authorizations most often when there is a delay in getting their medication. In a rough order of frequency, patients learn from: • The pharmacist, when the patient presents for a prescription held up for prior authorization • The prescriber's office, when the patient calls for a renewal and is told it cannot be processed • By the prescriber or staff at the time the prescription is written • By the insurance company, when the patient calls to make a complaint or get information about the prior authorization process The following is a suggested best practice: 1. If the prescriber is aware that prior authorization is required, there is a discussion with the patient during the visit. 2. The patient decides if they will pay for the prescription if the PA is denied	1. The need for prior authorization is flagged during prescribing in the system 2. The prescriber or support staff have a discussion with patient during the visit regarding the prior authorization 3. The patient decides if they will pay for the prescription if the ePA is denied

Rationale

The patient can be much more involved at the prescriber's office due to the ePA information arriving at the point of care. Coupled with the automatic population of information already contained in the electronic health record, the ePA can be completed quickly and efficiently. This limits the phone calls and follow-up required with the patient. The workflow is substantially changed, shifting the burden of patient education from the pharmacy to the prescriber and support staff, primarily because the discovery of the need for prior authorization is moved from the pharmacy during claims submission to the prescriber at the point of care.

Annotations and Comments



Today, health plans and Pharmacy Benefit Managers (PBMs) have a number of processes in place for providers to request prior authorizations. An electronic tool may be offered that is available 24/7 through a website to submit requests and get answers any time. The system prompts providers for the information needed to decide whether the request meets the proper criteria. If the request meets the criteria, approval will be sent immediately. If the request doesn't meet the criteria, it will be forwarded for review and a response will be given within 48 hours. Status of requests can be accessed online. There are also paper processes in place to request PAs, which are generally faxed to reviewers and responded to within 24 hours.

Advantages of electronic submission are editing for required fields, no handwriting interpretation, no longer needing to key information in and the ability to apply logic to simple requests. Industry standards for ePA are required to enable electronic prior authorization via eRx/EHR systems. This has been challenging in the past because all health plans and PBMs have different PA requirements and in order for ePA to work, there would need to be consensus on the requirements across the industry.

Assuming this was to occur, providers would be able to request PA directly from their eRx/EHR system and send the completed form electronically to the appropriate plan/PBM and/or authorization might be real-time based on a plan's logic and viewed via the eRx/EHR. Rural states still have massive high speed access limitations, so if ePA is required, technology issues remain.

The ideal ordering system is integrated with the PA process without leaving the application, not launching to another application. The ordering provider will be able to experience real-time prior authorization with the insurer, replacing the traditional phone or fax means of requesting prior authorization.

1. A formulary alert should display according to patient formulary and benefit plan (drug benefit)

If patient online access is available, entering an order for medication should also alert the patient of the PA process. The patient can initiate entry of information relevant to demographic and other necessary information to assist in the PA process. This would be part of renewal process of PA.

2. Provider should process electronic PA real time to support the following workflows:

    - ✓ The prescriber can proceed with the PA if the patient chooses to pay. When the real-time approved PA is received, the prescriber proceeds to transmit the eRX to the Pharmacy.
    - ✓ The prescriber can choose an alternative medication if the patient cannot pay, then proceeding to send the chosen alternative medication and transmit the eRX to the Pharmacy.
    - ✓ The prescriber can abandon the ePA without leaving the ordering application.

Having real-time PA with approval and transmitting the eRX to the pharmacy is expected to increase patient satisfaction, eliminating the waiting time for approval from payer and also the back and forth fax and phone exchange between the payer, pharmacy, and the prescriber's office.

ePA is expected to reduce administrative burden on providers who currently complete PA request forms, and on health plans that must review the request and send authorization. Patients would not have to wait for this process to occur in order to receive their prescription, which may have safety benefits through reducing the delays to therapy.

Foremost, some consideration should be given to the enormous changes facing the industry right now with 5010 and ICD-10, but standards and expectations must be identified and deadlines established well in advance to allow for all of the changes to be done. To help:

- Collaborate with payers with regards to standardization of the questions and answer used in PA fulfillment.
- Collaborate with software vendors on the best way integrate drugs with PA needs according to payer's formulary in real-time.