

# What doctors want patients to know about prior authorization



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When patients go to the pharmacy to fill a prescription, they are often told that their insurance company won't pay for the medication unless a physician obtains approval. Patients may wait days, weeks or even months for a necessary test or medical procedure to be scheduled because physicians need to first obtain similar authorization from an insurer. This tactic, used by insurance companies to control costs, is called [prior authorization](#).

The AMA's What Doctors Want Patients to Know™ series provides physicians with a platform to share what they want patients to understand about today's health care headlines.

In this installment, [Jack Resneck Jr., MD](#), a dermatologist and immediate past president of the AMA, discusses what patients need to know about prior authorization and the pivotal role they can play in fixing it.

## Insurance companies want to spend less

"Many years ago, health insurance plans came up with this process, and at the time it was just for brand new, expensive medications that had just come to the market or new treatments that they wanted to limit use of," said Dr. Resneck. "They require doctors to fill out a whole bunch of paperwork, send faxes, and make lengthy phone calls to get permission to use certain medications or treatments and for the insurer to cover it for patients."

“It’s largely an effort by health insurance companies to spend less money,” he said. “And we could handle the burden when it was just focused on a few brand-new things, but what doctors are experiencing today—and I know patients are finding the same thing when they show up at the pharmacy to try to fill prescriptions—is that prior authorization is being used for an incredibly broad variety of medications.

“A majority of the prescriptions I write now are for things that some health plans are requiring us to go through this arcane process to get permission to use,” Dr. Resneck explained, adding that “prior authorization has been around for decades, but it’s really been in the last several years that physicians and patients have seen it massively expanded—even to cover generics.”

Fixing prior authorization is a critical component of the [AMA Recovery Plan for America’s Physicians](#).

Prior authorization is overused, and existing processes present significant administrative and clinical concerns. Find out how the AMA is tackling prior authorization with research, practice resources and reform resources.

## It complicates decision-making

“Prior authorization really complicates the process for both patients and physicians,” said Dr. Resneck. “When we’re sitting down together as a team—a doctor and a patient working on what’s going to be the best next steps to diagnose or treat that patient’s condition—there’s this whole other part of what has to take place. The physician must try to predict what treatments they’ll actually be able to get for that patient, even if that patient has health insurance.”

“It’s really frustrating for doctors, just as it is for patients—that process is really opaque and unpredictable,” he said. “Oftentimes, we don’t even know until the patient gets to the pharmacy, whether different treatments will be covered and which ones will require prior auth.”

“Patients are often surprised to learn that there is nothing the physician can see in their computers or electronic health records that would predict which medications a patient can actually get under their insurance,” Dr. Resneck said.

## Prior auth is a guessing game

“For the medications or procedures that do require prior auth, it's a bit of a guessing game. We don't actually know what piece of information the health insurer is looking for, so we send a bunch of explanations,” said Dr. Resneck. “But if it doesn't exactly match what the health plan employee is looking for on their computer screen, then oftentimes it won't get approved—even if it's justified and evidence-based.”

“Oftentimes, the person evaluating the prior authorization requests at the health plan is not a physician and hasn't even heard of the disease the patient has or the treatment the physician is recommending,” he explained.

“It's a huge diversion of time and effort and resources,” Dr. Resneck said, recognizing that “these are hours that we could be spending actually taking care of patients as opposed to fighting all these appeals.”

## Fighting rejections is time-consuming

“Physicians spend an enormous amount of time fighting these prior authorization rejections to get patients the therapies that they need,” said Dr. Resneck, noting in the U.S. the average doctor fills 45 such requests each week.

“That's across all specialties and different parts of the country,” he said.

“Many of us have people in our offices, staff, who do nothing but focus on filling out prior-authorization paperwork,” Dr. Resneck added. “In my own office, we have to rotate that among staff because it's such a painful job that nobody could really do that all day long.

“It is delaying really important care that patients need,” Dr. Resneck added, pointing to the results of the most recent [AMA prior authorization physician survey](#) (PDF).

## These barriers are harmful

“We physicians often find ourselves fighting over and over and over through a series of appeals to get the patient the medication or the test or the treatment that they need,” said Dr. Resneck. “If you stick with it and are willing to fight, I find that physicians often win the battle.”

“The fact that health plans eventually relent and admit that the treatment is appropriate is evidence that the health plan didn't need to put up these barriers in the first place,” he said. “But in the meantime, patients are not getting treated.

“And in some cases, we know patients just get frustrated and walk away,” he added, noting that “some never end up picking up that prescription that they need.”

“Ultimately, that increases the risks of bad outcomes and hospitalization for patients when they don't get their health care issues taken care of in time,” Dr. Resneck said. “We know that as many as a third of patients who get stuck in this prior-authorization process, don't ever pick up their medications.

## Prior authorization is unpredictable

“As we look at what things require prior auth ... it used to really be a narrow set of brand-new things that had just come out, but now it's completely unpredictable,” said Dr. Resneck. “I knew we'd hit a new low in my specialty of dermatology when I wrote a prescription a while back for a generic topical cortisone cream that had been around since the 1960s, and it got stuck in one of these prior-auth logjams.

“What does the insurance company want us to use? It's the cheapest possible alternative,” he added. “And that's become pretty typical—that it's unpredictable and applies to this broader group of things.”

## Services once covered may change

“The other thing that we run into is a continuity of care problem, where patients have found a medicine that works ... for their chronic disease and they're on it and they're doing great,” said Dr. Resneck. “Then all of a sudden, a year later, we get a note from the insurance company that says: Hey, your refill has triggered another prior auth requirement, so please tell us why this patient still deserves to be on this medication.”

He recounted the case in which a patient of his “with really severe eczema—a skin condition where you're up all night itching and you have rashes from head to toe—got on a medication that changed their life,” he said. “And when one of those repeat prior auths got triggered, I dutifully filled out pages of paperwork to explain to the insurance company that the patient was doing great and their disease had really improved on the drug. I got back a rejection.

“And the reason on the rejection was, ‘Patient's severity no longer meets criteria,’” Dr. Resneck said. “Essentially, they were saying to me, ‘You have to take the patient off the medication, let them flare, let their disease get terrible, let them start missing work again, and then we'll approve it.’”

“It took something like 20 phone calls to get that ultimately overturned and approved,” he said.

## Physicians are just as frustrated

Doctors are just as frustrated as patients are “and we are not the ones who set up this prior-authorization system,” said Dr. Resneck. “These lists of drugs and procedures that require prior authorization are unpredictable and constantly changing, inappropriate rejections are common, and the appeal processes are painfully slow and burdensome.”

“A lot of times we'll find out that something needs a prior authorization, and we'll start the appeal process and fill out all the paperwork,” he said. “But insurance companies, in many cases, just take their time to respond.

“So as a patient, you may be feeling like, ‘Hey, why haven’t I heard from the pharmacy that my medication is approved?’” Dr. Resneck added. “The majority of the time the physician has actually done their part of filling out all these requests and appeals, and we are stuck waiting on the health plan to respond.”

Knowing that, “feel free to check in with your physician office, but be understanding that they are really fighting on your behalf to get you the medications and treatments that you need,” he said.

## There are efforts to fix prior authorization

The AMA first tried to find compromise with insurance companies to right-size prior authorization.

“We gave the health plans a few years. We worked with them. We even came up with a [consensus document](#) (PDF) on some things we thought we could agree to try to fix this problem,” Dr. Resneck said. “But unfortunately, the health plans didn’t act on those promises, and we see patients really still suffering from the results of this prior authorization problem, so that’s why we’re looking to legislatures and others to solve it.”

“So now, the AMA has a variety of things that we’re working on in Congress and in state legislatures across the country, and is beginning to see some successes advancing bills to fix prior authorization,” he said. “A number of states have already acted, and Congress is now considering bills to address the problems in Medicare Advantage plans that they regulate.”

## Reach out to members of Congress

Through the AMA, “we’re working in partnership ... with state medical associations across the country, with specialty societies nationally, so it’s really all hands-on deck,” said Dr. Resneck. “It has helped in the efforts that many legislators who we’re talking to have themselves had experiences with prior authorization problems.

“So, for patients, it's really important, reach out to your members of Congress, reach out to your state legislators,” he added. “Let them know how you're being affected by this so that they can put this on the priority list of problems to solve.”

## Let your physician know

“If you do end up at a pharmacy and find that one of your medications is caught up in this prior authorization mess, make sure that the pharmacy lets your physician know so that they can actually fight that battle on your behalf,” said Dr. Resneck. “Don't give up. Sometimes we can find an alternative medication that's covered.

“And when we can't, we will fight alongside you as patients to get you the medications and treatments that you need,” he added.

## Share your stories

“It's important that all of us [share these stories](#) about how frustrated we are with this broken piece of the health care system that is prior authorization,” said Dr. Resneck. “Lawmakers, policymakers, health insurance executives, they need to hear about the pain that you are facing as patients and how it's actually affecting the treatment of your medical conditions.

“If we are going to be successful in convincing Congress and state legislatures and others to step in and fix this problem, they need to hear not only from physicians—and we're speaking up loud and clear—but they need to hear from you as patients as well,” he added. “We have a website at the AMA called [FixPriorAuth.org](#). It's a place where patients can actually share their stories about their frustrations with prior auth.”

“You can also see some of the plans that we at the AMA have come up with and that we're seeking in Congress and in states around the country to rightsize this prior auth problem,” Dr. Resneck said.