

algorithms and other technical advances. Only persistent outliers who fail to respond to education should be required to seek prior authorization for advanced medical imaging, and then only as long as they remain outliers in their ordering patterns.

#### **Administrative efficiency:**

Streamlined processes should guide the ordering physician to the best test or, as the case may be, to no test, for the patient's clinical condition. As currently implemented by some payers in Rhode Island, prior authorizations are excessively time-consuming and approvals generally entail delays of one to two business days. Such delays are disruptive to patient care. Ordering physicians should have the option to obtain prior authorization themselves or delegate the task to imaging centers. Prior authorizations for all health plans should follow standard processes and use the same format to capture all necessary information for a particular imaging test. Demographic information required from ordering physicians should be limited to the patient's name and policy number.

#### **Transparency in recognizing costs:**

Prior authorizations entail substantial administrative cost both to insurers and to medical offices. Physicians' time spent securing prior authorizations for particular services is not recognized in the "work" component of the RBRVS system and is therefore wholly uncompensated. This is unacceptable and must be addressed to make medical offices whole for performing the extra work imposed by insurers. Moreover, any valid measure of the cost-effectiveness of a prior authorization program must include the full continuum of costs, including physicians' incurred costs and fair compensation.

**Scientific integrity:** Criteria for approval must be based upon the best scientific evidence as developed and validated by national medical specialty societies.

## **"Prior Authorization" controversy sparks a U.S. Senate investigation of MedSolutions; process is found "burdensome and confusing"**

Investigative reporting by the Wilmington, Delaware, *News Journal* a year ago touched off parallel investigations by the U.S. Senate Commerce Committee and the Delaware Insurance Commission. The story eventually got national exposure on NBC news, and the flood of negative publicity prompted Blue Cross of Delaware to terminate MedSolutions of Tennessee as the Blues' vendor for prospective utilization review ("prior authorization") for high-end imaging studies.

Both the Senate Committee and the state Commission issued reports on their findings on April 15, 2011.

The case that attracted public, regulatory and Senatorial attention to health plans' prior authorization requirements was the experience of one forty-five year-old man who came close to dying in February 2010 after MedSolutions had repeatedly rejected his nuclear stress test as medically unnecessary.

Noteworthy is the fact that the Rhode Island Chapter of the American College of Cardiology proactively succeeded in getting MedSolutions and BCBSRI to modify their protocols, specifically in the area of nuclear cardiac imaging. Perhaps the Delaware incident would have been prevented in Rhode Island, thanks to the vigilance and activism of the local ACC.

In any case, after months of study, the U.S. Senate Commerce Committee, chaired by Senator Jay Rockefeller, found that the "pre-authorization process is burdensome and confusing for consumers and health care providers" and that "many medically appropriate test requests were likely denied on 'administrative' [i.e., essentially clerical rather than clinical] grounds."

The Senate investigators also found that MedSolutions' "Cardiac Imaging Guidelines" "diverge in key ways from the 'appropriate use criteria' established by the American College of Cardiology. This conflict created situations in which MedSolutions denied requests for tests that the cardiologists' professional guidelines deemed appropriate.

"Moreover, MedSolutions' failure to develop its 'evidence-based' guidelines through a transparent process leaves it vulnerable to criticisms that the purpose of MedSolutions' guidelines is to deny test requests, rather than reflect the strongest available scientific evidence."

However, the Senators also found that doctors themselves do not always comply with professional guidelines in ordering tests and that MedSolutions properly denied requests for inappropriate tests in some cases. ❖

**Risk-adjustment:** Any valid comparison of clinicians based on their utilization rates must systematically take into account differences in patient populations and adjust for such differences.

In sum, the Medical Society opposes the current overuse of prior authorization for imaging studies and recommends a carefully targeted

educational and collaborative approach to resolving questions of appropriateness in utilization. Insurers have an obligation to collect, manage and share complete and accurate data and to use such data to focus their utilization review activity, always with the goal of optimal patient care provided with optimal efficiency. ❖