Electronic Prior Authorization:
Leveraging the latest technologies to improve care delivery and determine optimal benefit coverage.

Presented by:

Gulzar Virk, MBA
Product Manager, Physician Connectivity
CVS Health

Tony Schueth, MS
Founder and CEO, Point-of-Care Partners
Agenda

- Defining Prior Authorization
- Gaps in Current PA Activities
- ePA Overview, Stakeholders and Infrastructure
- NCPDP ePA Message Types
- Implementing ePA: Pilot Overview and Lessons Learned
- Improving ePrescribing Workflow with ePA
Learning Objectives

• Describe the impact of today’s predominately paper-based prior authorization processes on patients, payers and providers.

• Understand how prior authorization can be automated and integrated with prescriber workflow using the NCPDP SCRIPT standard, citing results from a two-year CVS Caremark pilot study.

• Describe the stakeholders involved in the NCPDP SCRIPT standard for electronic prior authorizations and their roles.

• Discuss current state regulations around electronic prior authorizations.

• Describe the new best practice for prospective ePA Integration within the ePrescribing workflow and the message types supported.

• Describe the role of payers/PBMs, HR managers and benefits specialists in accelerating ePA Adoption and in helping members/employees understand the ePA process.
Defining Prior Authorization

- Prior Authorization is a cost-savings feature that helps ensure the safe and appropriate use of selected prescription drugs and medical procedures.
- Criteria based on clinical guidelines and medical literature
- Selection of PA drug list and criteria can vary by payer
Current Manual Prior Authorization

40% OF PRESCRIPTIONS ARE ABANDONED

Rx Pended/Manual PA Begins

Doctor submits the prescription through normal ePrescribing flow.

If denied, pharmacist calls doctor who notifies patient, prescribes alternate therapy or submits as cash Rx.

After approval, doctor submits electronic prescription with authorization # to pharmacy.

Pharmacy processes Rx, bills payer, dispenses or administers medication.

Pharmacists spend an average of 5 hours/week on prior authorizations.
Prior Authorization Impacts All Healthcare

**PATIENT HASSLE AND TREATMENT DELAY**
- PA unknown until patient has already left office
- Treatment might be delayed for days

**PHARMACEUTICAL OBSTACLES**
- Delayed and abandoned prescriptions
- Extensive outlay for physician and patient administrative assistance

**PHARMACY HASSLE**
- Pharmacy must call prescriber’s office, and sometimes the plan

**PRESCRIBER HASSLE AND DISRUPTION**
- Call back from pharmacy, must call plan, wait for faxed form, completes form and sends it back
- Turnaround time can be 48 hours or more

**PBM/HEALTH PLAN INEFFICIENCY**
- Expensive and labor intensive process that creates animosity

Prior Authorization Impact Diagram
Interim PA Automation (non-ePA)

Until today, automation largely replicated the paper process requiring duplicate entry of information.
Gaps in Current PA Activities

• Drug requiring PA flagged in only 30% - 40% of the cases
• Criteria not residing within EHR or visible to physician
• Does not automate the entire process – various workarounds that may or may not meld together
• Paper forms and portals require manual reentry of data that may already reside electronically within an EMR
• Multiple routes to obtain PA depending on health plan, drug, pharmacy, and patient combination
A look at the ePA road so far

1996  HIPAA Passes, names 278 as standard for ePA
2003  MMA Passes
2004  Multi-SDO Task Group Formed
2005  NCVHS Hearings
2006  MMA ePrescribing Pilots involving ePA
2007  Report to Congress recommending a new standard
2008  Expert Panel Formed/Roadmap Created
2009  Minnesota Law Passes
       New ePA Standard Created using SCRIPT
2011  CVS Caremark Pilot
2013  New Standard Published
2015  Implementation of SCRIPT-based Standard
2016  Expansion and EHR integration
# NCPDP ePA Message Types

<table>
<thead>
<tr>
<th>Message Type</th>
<th>Direction</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA Initiation Request</td>
<td>Prescriber → PBM/Payer</td>
</tr>
<tr>
<td>PA Initiation Response</td>
<td>PBM/Payer → Prescriber</td>
</tr>
<tr>
<td>PA Request</td>
<td>Prescriber → PBM/Payer</td>
</tr>
<tr>
<td>PA Response</td>
<td>PBM/Payer → Prescriber</td>
</tr>
<tr>
<td>PA Appeal Request</td>
<td>Prescriber → PBM/Payer</td>
</tr>
<tr>
<td>PA Appeal Response</td>
<td>PBM/Payer → Prescriber</td>
</tr>
<tr>
<td>PA Cancel Request</td>
<td>Prescriber → PBM/Payer</td>
</tr>
<tr>
<td>PA Cancel Response</td>
<td>PBM/Payer → Prescriber</td>
</tr>
</tbody>
</table>

All requests and responses are real-time, bi-directional messages based on the NCPDP Script Standard.
ePA Represents a Win-Win for All Stakeholders

PATIENT BENEFITS
• Improves medication access by days to weeks
• Drugs requiring PA can be approved at doctor’s office
• Reduces prescription abandonment

PHARMA BENEFITS
• Increases medication adherence
• Eliminates physician calls
• Improves patient access to programs and quality of formulary data

PHARMACY BENEFITS
• Time Savings – manual PA takes 5 hours per week per pharmacist
• Improves patient access to medications

PRESCRIBER BENEFITS
• Significant time savings: 20-60 minutes per PA
• Seamless workflow integration with EHR/immediate notification of drugs requiring PA before ePrescribing
• Reduced prescription abandonment; improved medication adherence

PBM/HEALTH PLAN BENEFITS
• Eliminates manual PA processing costs estimated at $20-$25 per submission
• Improves provider and patient relations
• Reduced prescription abandonment; improved medication adherence

1. 2015 ePA National Adoption Scorecard
3. American Journal of Managed Care, A Physician-Friendly Alternative to Prior Authorization for Prescription Drugs, Published Online, Dec. 2009
Ongoing Legislative and Regulatory Momentum

- Demand seems to be high to reform the entire prior authorization process and workflow
- Standard forms and ePA are a key component of this effort
- Payers are required to accept electronic submission of ePA—HCPs are not required to use ePA
- A separate website, portal or unconnected solution would meet these requirements

Sessions are beginning and we expect more legislative activity in 2016
Current Landscape

**Web Portals**
- Allscripts
- Agastha
- Aprima
- Design Clinicals
- Digichart
- DrFirst
- Epic Systems
- Greenway
- NextGen
- NewCrop
- OA Systems
- Practice Fusion
- Stratus EMR
- ScriptSure
- STI Computer

**EHRs**
- CoverMyMeds
- Surescripts
- Change Healthcare

**Intermediaries**
- Aetna
- Argus
- Cigna
- CVS Health
- Express Scripts
- Humana
- Navitus
- OptumRx
- Prime
- Therapeutics
- US Scripts

**Pharmacy**
- Aetna
- Argus
- Cigna
- CVS Health
- Express Scripts
- Humana
- Navitus
- OptumRx
- Prime
- Therapeutics
- US Scripts
Electronic Prior Authorization: The Infrastructure is in place

80% Physicians Today
Greater than 80% of physicians ePrescribe today

700 EHRs Enabled
More than 700 EHRs enabled for ePrescribing

100% Retail Pharmacies
Nearly 100% retail pharmacies
• **Retrospective** and prospective models emerging in the marketplace
• Retrospective being conducted in a proprietary manner
• Industry movement toward **prospective**
• Prospective ePA officially approved as part of the SCRIPT standard in July, 2013
• Standardized retrospective process on-hold
• Standardized questions being addressed
• Need for standardization, evidence-based PA criteria

---

**CoverMyMeds PA Growth**

![Graph showing PA growth from 2010 to 2015](graph.png)

**Source:** CoverMyMeds
New Standard Enables Multiple Workflows

Retrospective vs. Prospective

**Retrospective PA** – without PA info at time of prescribing
- Prescriber
- Pharmacy
- Payer
- Rx without PA info
- Request for info for PA
- Processing
- Rejected: PA Needed

**Prospective PA** – with PA info at the time of prescribing
- Prescriber
- Pharmacy
- Payer
- Rx with PA info
- Advises PA Approval
- Processing
- Advises PA Approval
- PA Info
  - Advises PA Approval
- Advises PA Approval

Copyright © 2015 Point of Care Partners
Transition from Retrospective to Prospective Prior Auth

Drivers of Prospective PA
+ PA volume growth
+ Health Plan & Pharmacy pressures to reduce administrative costs
+ Accountability for patient outcomes
+ Diminishing impact of Meaningful use
+ Adoption & maturation of NCPDP SCRIPT-ePA
+ EHR system integration
+ Quality of F&B data
+ Payer adoption of PA workflow systems
+ Real-time PA adjudication

- Manual/Fax
- Payer portals
- Agadia-eFax
- CMM

EHR Systems
- ePA API
- Agadia
- CMM
- Relayhealth
- Surescripts

Chart is not to scale; For illustrative purposes
Implementing ePA Pilot

Lessons Learned
ePA Pilot: Timeline And Goal

- Demonstrate that PA requirements can be exchanged electronically between payers and providers using standardized transactions while:
  1. Allowing payers to retain customization of criteria
  2. Allowing EHR vendors to retain unique user interface and bring ePA into e-prescribing workflow

2012 GOAL
ePA Pilot: A Collaborative Effort

Allscripts
CoverMyMeds
Surescripts
CVS/caremark

First complete, flexible electronic solution meets the needs of all stakeholders while reducing administrative burden and improving efficiencies for all
ePA Pilot: 4 Transactions And 2 Loop Process

LOOP 1: Prescriber submits criteria request and PBM/Payor returns criteria back

Member Medication Prescriber

Is this a request for:
- Initiation of amphetamine therapy
- Renewal

LOOP 2: Prescriber submits completed criteria request and PBM/Payor returns determination

Is this a request for:
- Initiation of amphetamine therapy
- Renewal

Approval OR Denial

PBM

PBM
ePA Pilot: In Numbers¹

- 20% of total PA volume via ePA at the end of the year 2015
- 275% YoY increase in ePA volume
- 50,000 Unique NPIs requested ePAs
- Top 5 drugs classes requested for ePA:
  1. Sedative Hypnotics
  2. Proton Pump Inhibitors
  3. Amphetamines
  4. Testosterone/Cialis
  5. Methylphenidates

¹ 2015 ePA Data - CVS Caremark Client
ePA Pilot:
Great Improvement Over Current PA Options

- ~70% of the criteria returned in less than 60 seconds
- End-to-end process can be done in less than 5 minutes - including time for provider to answer questions
- Walk away rate is consistent with traditional process
- Client audit of traditional vs ePA approval/denial rate shows no difference in approval rate
ePA Pilot: Prescribers Reported Positive Experience

- 85% found ePA supportive of the process and that requesting criteria was easy
- 80% found it easy to submit the PA criteria
ePA Pilot: Positive Prescriber Feedback

“It's much easier and faster than before. I really like it.”

“It's very useful. We love. It's a lot easier. Saves a lot of time.”

“I first found it hard but now it is easier than what we usually do.”

“I think it is easier and faster. once I got used to doing it I got an answer back real quick.”
ePA Pilot: What Contributed to the Success?

• Buy in from Client
• Standard Criteria
• Willingness to learn and tweak the process
• 80/20 Rule - High volume drugs converted first
ePA Pilot: Lessons Learned

- Global forms/Model forms are not ePA-compatible
- Immediate response if a PA not needed for the member/Drug combination
- Duplicate scenarios detection at the front of the process
- Triage Queue
  - Member Mismatch or Criteria issue
- Very few prospective ePAs
  - 10-15% were prospective
- CMS and State regulation
- Very few eAppeal and cancel requests
What We Can Do To Accelerate ePA Adoption?

- Availability of formulary & benefit data (F&B) at point of e-prescribing
  - Hassle free experience for both prescriber and pharmacy
  - Faster access to medication for member
- Keep ePA in mind while implementing a new client
  - Various UM Edits
  - Skip logic
  - Question Types for automation
  - Free Text
- Keep future in mind – touch free ePA
  - usage of LOINC and other codes in the criteria
- Bring ePA into discussion while talking with state and federal level
  - regulatory bodies
Improving E-Prescribing Workflow with Electronic Prior Authorization

EMR Example
Prescriber Initiates a New Prescription Within e-Prescribing Workflow

F&B data provided by PBM/Plan alert Prescriber on PA requirement
Prescriber Finalizes Prescription and Initiates ePA Task in EHR
EHR Presents Criteria to Prescriber Following Skip-Logic

ABC HEALTH PLAN
Patient Name: Doe, Jane

Does the patient have a greater than 10% estimated 10-year cardiovascular event risk (e.g., estimated by the Framingham Cardiovascular Risk Score) or does the patient have known pre-existing cardiovascular disease?

- Yes
- No
Prescriber Reviews Answers and Attaches Supporting Documents

ABC HEALTH PLAN
Patient Name: Doe, Jane
dojname

Review your answers:

<table>
<thead>
<tr>
<th>Question</th>
<th>Answers Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Does the patient have a greater than 10% estimated 10 year cardiovascular event risk (e.g., estimated by the Framingham Cardiac Risk Score)? Does the patient have known pre-existing cardiovascular disease?</td>
<td>Yes</td>
</tr>
<tr>
<td>2. Has the patient failed or is the patient not a suitable candidate for treatment with any other alternative pharmacologic agents (e.g., a combination of tramadol, low dose opioid, etc)?</td>
<td>Yes</td>
</tr>
<tr>
<td>3. Will the lowest effective dose of each medication be used for the shortest amount of time necessary to treat the patient's condition?</td>
<td>Yes</td>
</tr>
<tr>
<td>4. Is the patient being treated for...</td>
<td>No</td>
</tr>
</tbody>
</table>

Add Attachments: (pdf, jpeg, tiff)
Browse... No file selected.
Attach 12 MB Max

Submit
Start Over
Return to Task List
EHR Receives ePA Approved by PBM and Prescription Is Ready to Send to Pharmacy