AMCP Electronic Prior Authorization Market Analysis:
What is the current status of market adoption, where are the gaps and what's next?

December 9, 2015

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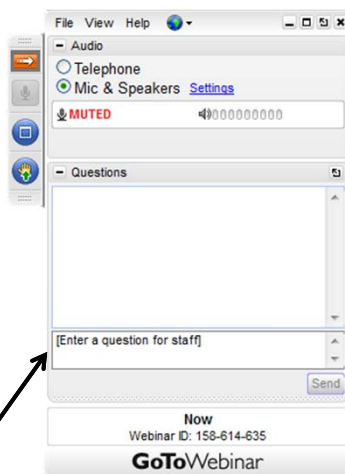

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How to Ask A Question

Type your question in the 'Questions' area

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Today's Speakers

Joe DeLisle
Business Manager,
SureScripts

Rory Rickert, RPh
Principal/Practice Leader,
Quarterline-IHS Pharmacy Practice

John Larkin, MBA
Vice President Government
Consulting Services,
Quarterline-IHS

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Overview

AMCP activities on Electronic Prior Authorization (ePA)

AMCP Partnership Forum NCPDP Electronic Prior Authorization Standards—Building a Managed Care Implementation Plan—April 2014

http://www.amcp.org/WorkArea/DownloadAsset.aspx?id=19831

AMCP market survey on ePA implementation to date

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AMCP Seeks Your Feedback

What do you think AMCP can do to help promote ePA adoption?

Add your ideas in the chat box or

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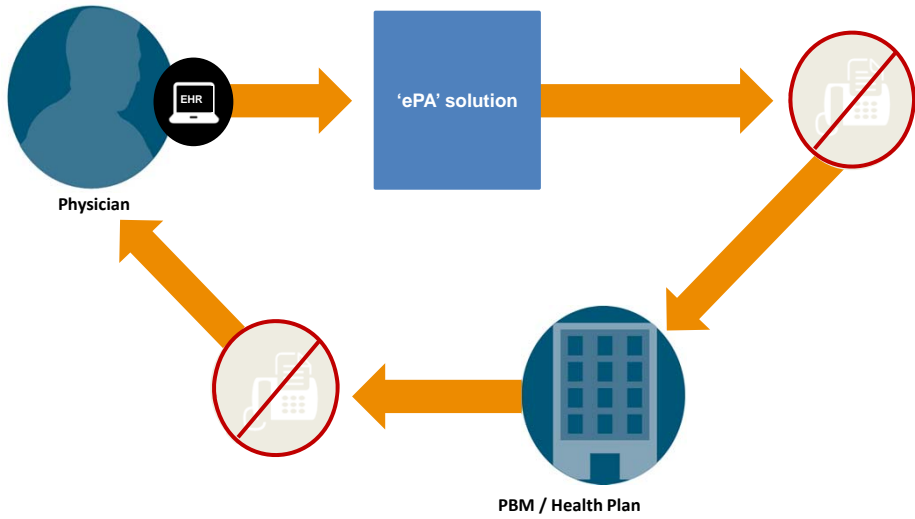
Brief Overview of the NCPDP Standard

Joe DeLisle
Business Manager, SureScripts

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Faxing ≠ Electronic Prior Authorization

Physician

EHR

'ePA' solution

PBM / Health Plan

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NCPDP ePA standard eliminates the need for faxes and phone calls

Physician

True ePA solution

PBM / Health Plan

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Prospective Electronic Prior Authorization is the Ideal Workflow

Benefit & formulary data referenced

ELIGIBILITY REQUEST / RESPONSE

PRIOR AUTHORIZATION INITIATION REQUEST/RESPONSE

Pre-approved e-prescription

PBM

Physician
- Notified that drug requires prior authorization
- Prior authorization form prepopulated with patient data
- No guessing or long forms required
- Prior authorization process completed before patient leaves doctor's office

Pharmacy
- Pharmacist receives clean prescription

Patient
- Patient picks up medication without delay

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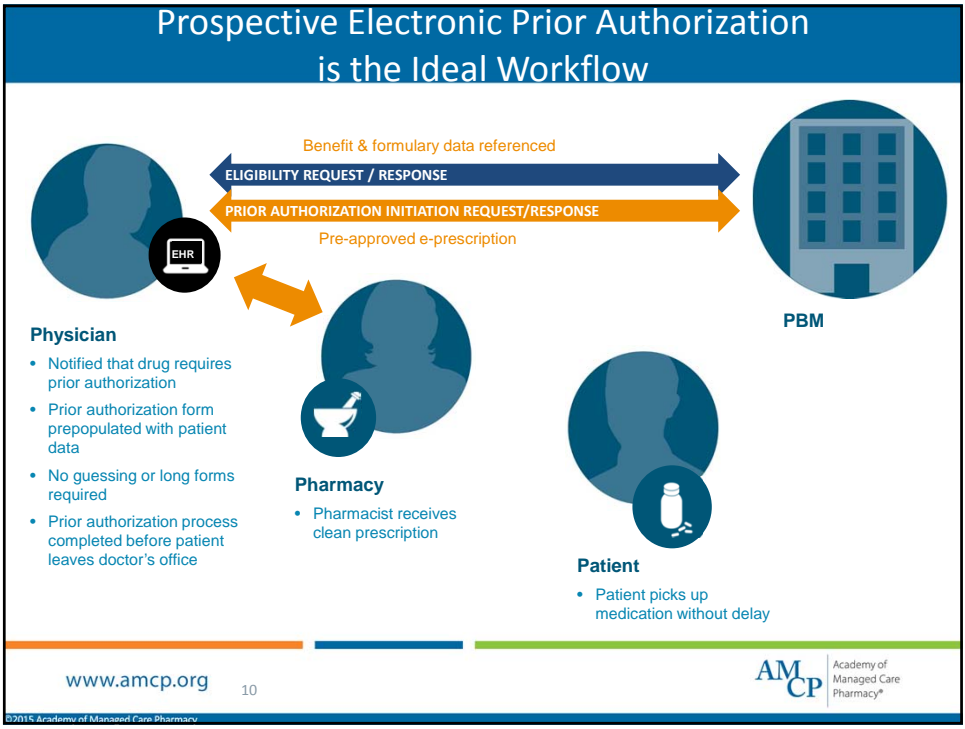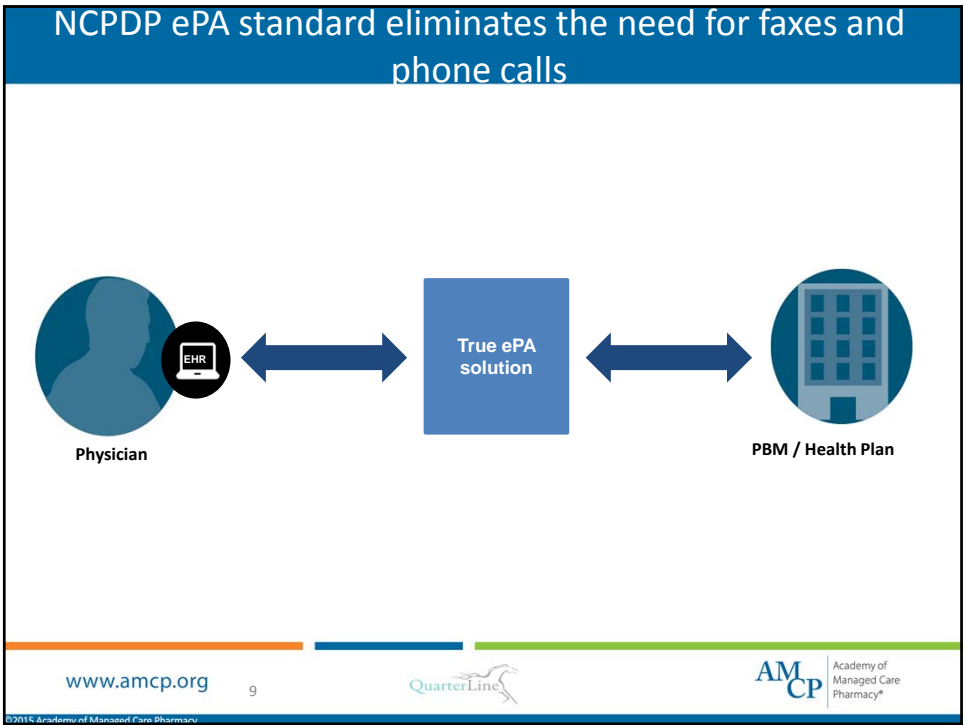
AMCP ePA Market Survey

Rory Rickert, RPh

Principal/Practice Leader,
Quarterline-IHS Pharmacy Practice

John Larkin

Vice President, Government Consulting Services
Quarterline-IHS

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Survey Objectives

- To refine and validate AMCP's understanding of barriers to adoption of e-PA
- To identify market activities AMCP and/or partners could consider for speeding adoption of e-PA

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e-PA Definition

- Any automated system that eliminates the need for manual completion of paper or electronic forms, or for phone and facsimile communication, by capturing data from the prescriber's EMR or EHR and providing instantaneous approval/denial response to the PA request
- Implies limited human touch; NCPDP standard for e-PA transaction

Survey Design Features

- Captured a global and sector specific-view of perceptions of barriers and opportunities to improve e-PA adoption
  - Some standard questions for all respondents
  - Some customized questions aimed at identifying tendencies at the sector level
- Quantitative results as well as qualitative insights captured via free-text option

Survey Design Features continued

- Fourteen stakeholder groups assembled into four question sets according to role in e-PA

1. Physician or other Prescribing Entity
2. Health Information Technology (HIT) Vendor
3. Pathways, Clinical Algorithm or PA Content Provider
4. Pharmacy Services Administrative Organization (PSAO)
5. Pharmacy Benefits Management Organization (PBM)
6. Accountable Care Organization (ACO)
7. Managed Care Organization (MCO)
8. Health Insurance Payer or Plan Sponsor
9. Dispensing Pharmacy
10. Pharmaceutical or Biotech Company
11. e-PA Subject Matter Expert
12. Policy Maker or Advisor
13. Regulator
14. Other

Key

Prescribers	Payers, Plans, Admins.
Vendors	Experts external to e-PA

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Survey Design Features continued

- Questions
  - Role
  - Current PA modality usage
    - Paper/Phone/Fax
    - On-Line Forms
    - e-PA
  - Barriers to e-PA
  - Opportunities to speed adoption

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Survey Design Features continued

- Opportunities for activities in the market

1. Advocacy including legislator lobbying, letters to the editor
2. Publications in professional journals
3. An e-PA training/implementation guide
4. Support from professional associations
5. Continuing education
6. Computer user groups for EHR/EMR
7. State or Federal regulatory/policy mandates
8. Government incentives
9. Financing or subsidies to reduce capital cost of e-PA systems
10. Performance-based contract incentives
11. Publication of a clear ROI for investment in e-PA systems
12. Improved standards to enable e-PA for a broader range of medicines
13. Other

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Findings: PA Modality/PA enabling

- Respondents were asked to select one of six options for describing frequency of PA modality use:
  - Every Time
  - Usually
  - Sometimes
  - Occasionally
  - Never
  - Don't Know

PA Modality	Prescribers	Payers
Manual	Usually	Every Time
e-Forms	Occasionally	Never
e-PA	Don't know	Never

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Findings: Prescriber Barriers, Usage

- Perception/education
  - Understanding of the definition and benefits of e-PA systems unclear
  - e-PA tends to be confused with on-line forms
  - e-PA places the burden of administrative costs on prescribers (e.g. Minnesota prescriber initiative to repeal state e-PA mandate)

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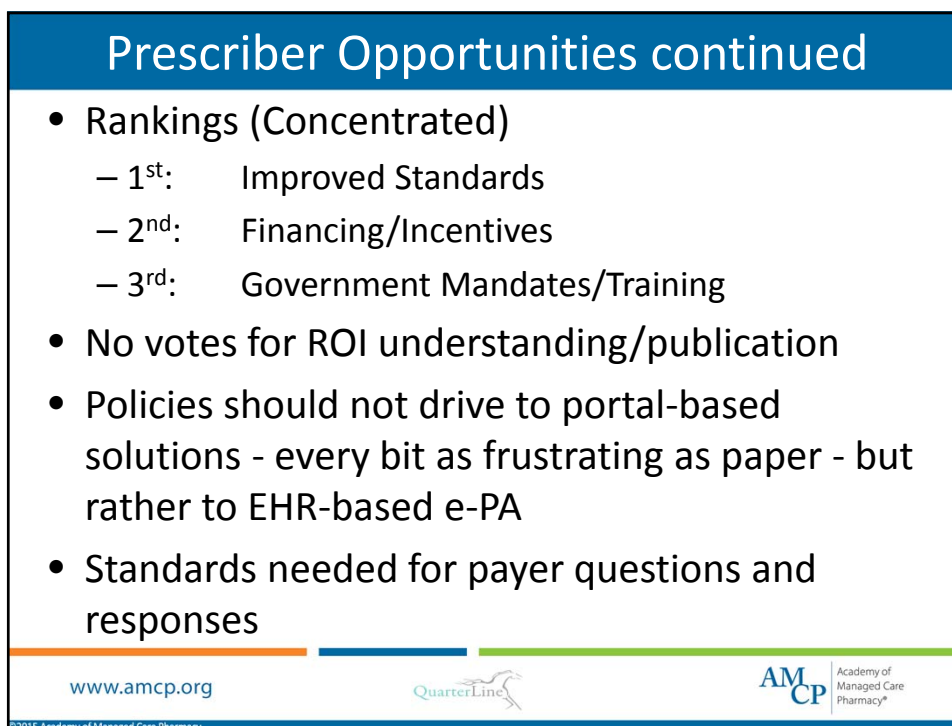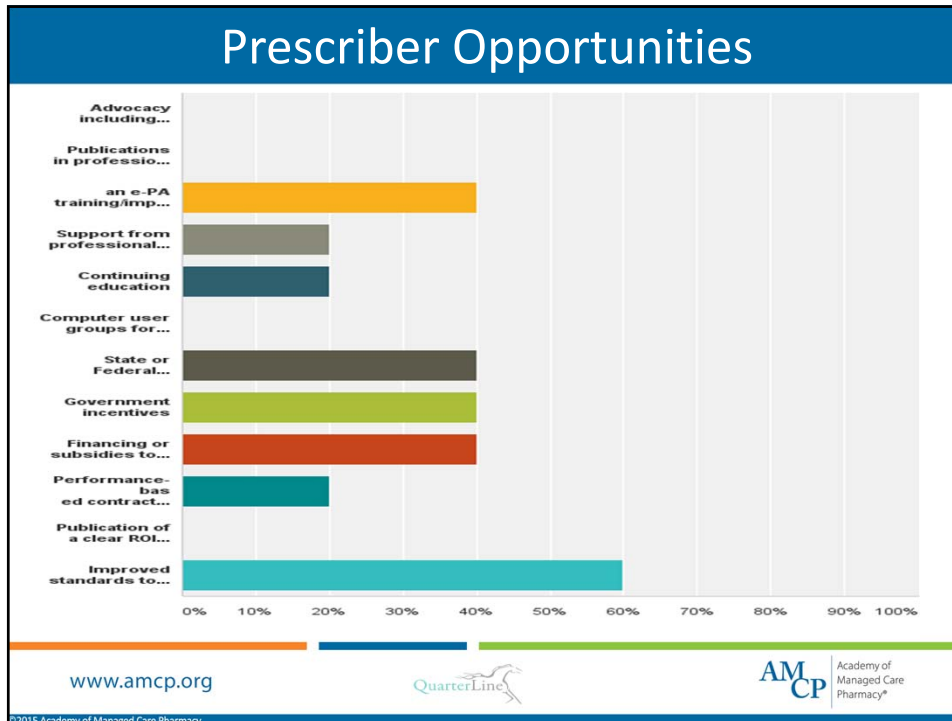
Prescriber Barriers continued

- Payer web portals not standardized, better to complete PAs through EHR/eRx application - Confusing to go to different portal for each payer
- NCPDP standard is not sufficient for specialty and non-traditional prescriptions
- Payer requirements for attachments slows process
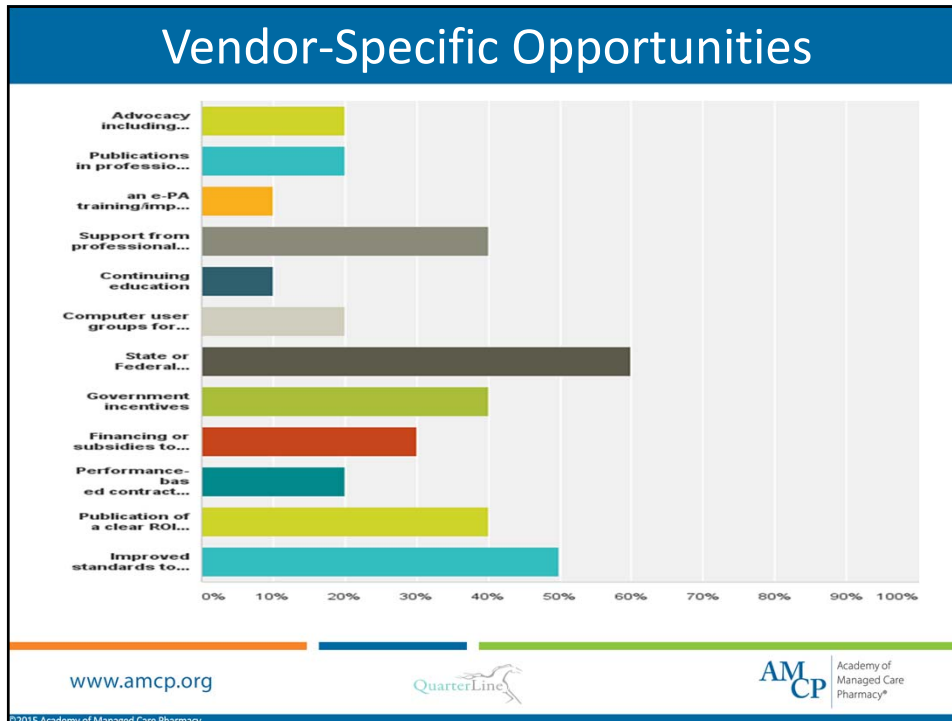- Did e-PA once as a test… "It was great"

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Prescriber Opportunities

Prescriber Opportunities continued

- Rankings (Concentrated)
  - 1st: Improved Standards
  - 2nd: Financing/Incentives
  - 3rd: Government Mandates/Training
- No votes for ROI understanding/publication
- Policies should not drive to portal-based solutions - every bit as frustrating as paper - but rather to EHR-based e-PA
- Standards needed for payer questions and responses

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Vendor-Specific Opportunities

Vendor-Specific Opportunities continued

- Rankings (Dispersed)
  - 1st: Government Mandates
  - 2nd: Improved Standards
- Expand e-PA transaction to multiple switches to encourage competition and reduce costs
- Link e-PA to EMRs
- "The best option of all is just eliminate PA and control via edits on payer end"

Payer, Plan and Administrator Opportunities

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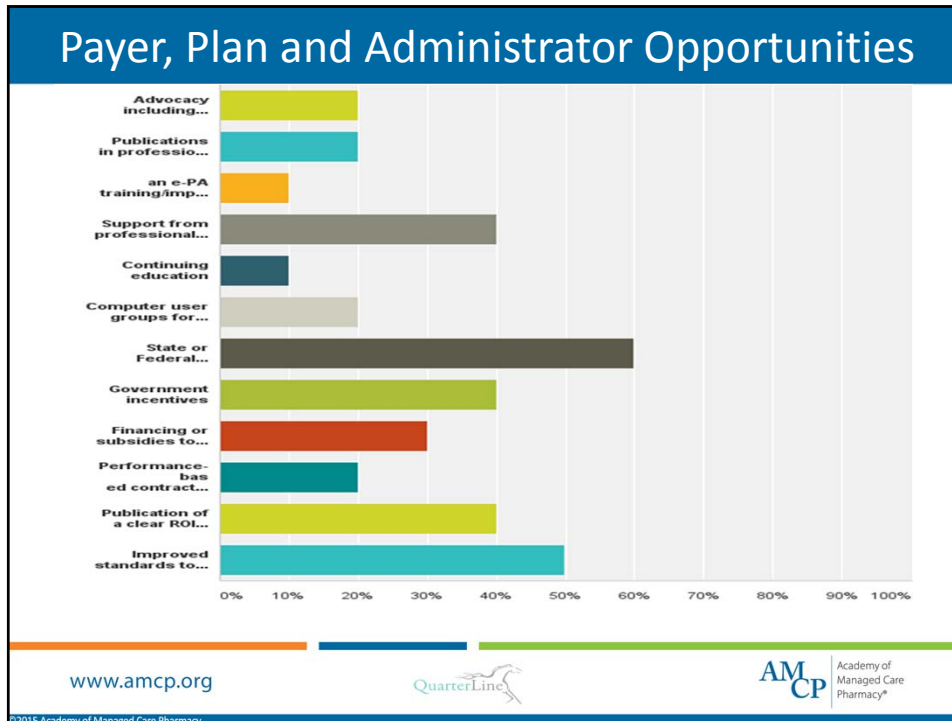AM CP Academy of Managed Care Pharmacy®

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Payer/plan/admins opportunities continued

- Rankings (Dispersed)
  - 1st: Government Mandates
  - 2nd: Improved Standards
  - 3rd: Publication of Clear ROI
- Acknowledgement of the "limitations of automating coverage decisions in real time is a must"

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Experts, Policy-Makers and Others opportunities

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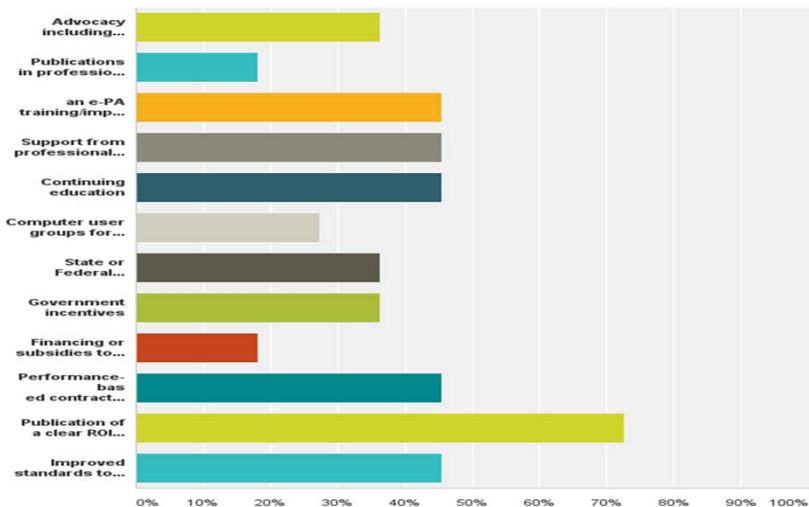
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Experts, Policy-Makers and Others opportunities

- Rankings (Dispersed)
  - 1st: Publication of Clear ROI
- Any mandates should be at the federal level, not state
- The system needs to be easy to use, not over loaded with complexity, process and high cost

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AMCP ePA Market Survey

Joe DeLisle

Business Manager, SureScripts

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Collaboration with network partners creates a better user experience & can drive adoption

CompletEPA Issue Tracker

- Working to analyze and improve Eligibility and Formulary to drive a better ePA experience
- Real-time analysis has helped us identify and resolve several key issues to help improve adoption and utilization of ePA across the industry
  - Formulary issues
  - Patient not Found errors (PBM)
  - Invalid Participant errors (EHR)

Product Advisory Work Group

- Brings PBMs and EMRs together on a monthly basis to further develop best practices and work through questions and issues
  - Numerous ambiguities identified in the standard and best practices
  - Working with NCPDP to make clarifications in the NCPDP guide
  - Improving the CompletEPA IG
  - Surescripts is partnering with PBMs to develop a better set of codes for use in NCPDP ePA transactions.

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Hands on action is necessary to change physician behavior

Dedicated Resources

- Account Management
- Activation
- Marketing

Administrative Support

- Reporting and Analytics
- Project Plan
- Regular Activation calls
- Transaction Monitoring

End User Training and Education

- Educational Webinars
- End User Training (Detailed – Workflow and Process focused)
- Participation at industry events
- "At the elbow" Support

Vendor/Health System Training and Education

- Customer Support/Account Management Training
- Educational Webinars
- Sales Training
- Participation at industry events

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Surescripts ePA **network progress to date**

We have seen amazing uptake in the marketplace

- Critical mass of PBMs are live
- EHRs representing 430k prescribers have signed up for ePA

15% of enabled prescribers are using electronic prior authorization
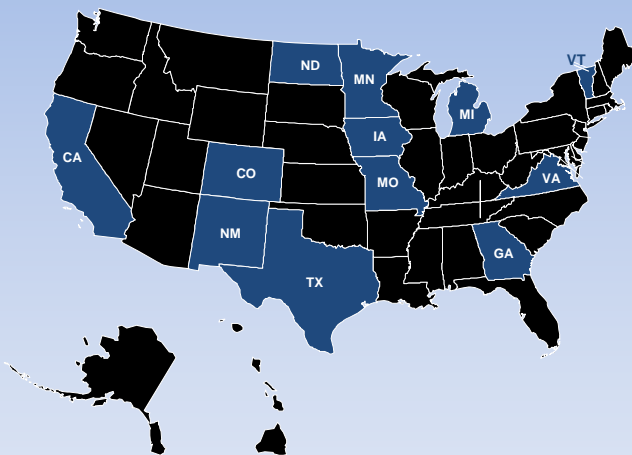
- Great progress at such an early stage of the network,
  but plenty of progress still to be made

PBMs are responding in 6-7 seconds

- PA transactions can be completed in real time with true ePA

surescripts

Many States Require Prescribers & PBMs to Use ePA for Medications

Legislation addressing PA for prescription drugs has been adopted in over 20 states however bills vary greatly:

- ePA via various means (12 states)
- Uniform PA forms (14 states)
- PA policies and limitations

Most ePA requirements are effective in 2015

surescripts

Next Steps

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Your perspective on opportunities

1. Advocacy including legislator lobbying, letters to the editor,
2. Publications in professional journals
3. An e-PA training/implementation guide
4. Support from professional associations
5. Continuing education
6. Computer user groups for EHR/EMR
7. State or Federal regulatory/policy mandates

8. Government incentives
9. Financing or subsidies to reduce capital cost of e-PA systems
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13. Other

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Way Forward

- Evaluate survey as well as today's inputs
- Determine activities of highest return on investment
- Launch market intervention(s) to speed adoption of e-PA

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AMCP Seeks Your Feedback

What do you think AMCP can do to help promote ePA adoption?

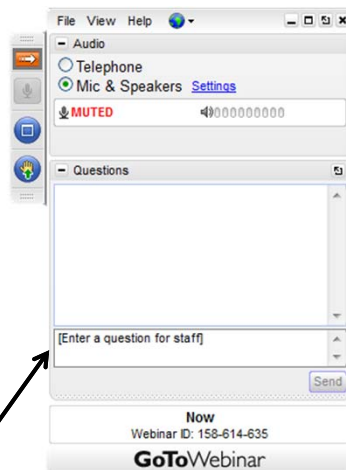Add your ideas in the chat box or

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Thank you!

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