

Demystifying Electronic Prior Authorization (ePA)

Exploring the impact of electronic prior authorization on EHR business

Executive Summary:

Despite significant physician investment into the purchase and implementation of electronic health record (EHR) systems, the majority of medication prior authorizations (PA) received today are processed manually. This white paper will explore the challenges of traditional PA, how electronic prior authorization (ePA) can streamline the PA process and how utilization of ePA reduces the liability associated with traditional PA processing.



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According to the journal Health Affairs, “On average, physicians spent more time dealing with [drug PAs] than any other interaction,” which absorb from 3 to 8 hours each week and costs thousands of dollars each year per physician.¹ Physicians face three critical challenges associated with traditional prior authorization practices. First, the PA approval process itself is primitive—90 percent of PAs require a phone call or fax² to be completed successfully. Second, with the use of expensive specialty drugs and biologics on the rise, the number of drugs that require PA is increasing. Lastly, every payer manages a unique set of requirements

that must be satisfied on a plan-by-plan, patient-by-patient basis, compounding an already complex issue.

Providers aren't the only ones to feel the sting of the cumbersome PA process. Patients arrive at the pharmacy only to discover that their prescribed medication cannot be dispensed until the script is approved via prior authorization. 69 percent of these patients wait multiple days for a PA response³ and 20-30 percent of patients waiting on PAs ultimately give up without getting their prescription.⁴ These delays damage the patient-doctor relationship and interfere with a patient's medication compliance, which reduces overall care quality.

Traditional PA vs. Electronic PA

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Traditional PA processes are cumbersome and frustrating. A physician sends a prescription to the patient's preferred pharmacy. The pharmacist attempts to fill the prescription and learns that the medication requires prior authorization. The pharmacist informs the patient of the PA requirement and initiates the PA request via phone or fax. The provider and PBM exchange multiple calls, faxes, and forms during the PA process. After waiting days or even weeks, the PBM grants the PA request and the patient is notified that the prescription is available for pick up.

Electronic prior authorization (ePA) significantly simplifies the traditional PA process when integrated into the EHR workflow. During the e-prescribing process, the physician is notified of PA requirements and can either select an alternate medication or submit the PA electronically within the EHR. The clean script is sent to the pharmacy and the pharmacist is able to fill the prescription. The patient picks up the prescription at the pharmacy without delay.

Traditional PA is complex and time-consuming.



Electronic prior authorization simplifies the PA process.



Developing an ePA standard

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In 2012, CVS Caremark, Surescripts, and other industry stakeholders launched a pilot project to demonstrate that ePA was a viable solution. Working with the National Council of Prescription Drug Plans (NCPDP), these industry leaders developed transaction-based standards for ePA based on the Surescripts/Caremark pilot, that were included in the most recent version of NCPDP's SCRIPT standard governing e-prescribing. The result is a proven standard that preserves the flexibility for payers to collect different sets of data for their individual PA processes, presents each unique data set in a standard format for the physician, and integrates seamlessly into the e-prescribing workflow within a physician's EHR.

Under the new standard, ePA leverages the comprehensive reach of the Surescripts network, which provides ePA connectivity for more than 220 million covered lives to date through its network of PBMs and payers. Surescripts' CompletEPA pulls and presents the physician with the question sets—specific to particular patients, plans and drugs—required by each PBM or payer to make their approval/denial decision. By providing information to the doctor within the EHR during the patient visit, the prior authorization process can be proactively managed, saving time for both the physician and the patient.

Reduced administrative burden

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Processing PAs electronically using CompletEPA frees physicians from the administrative burden of traditional PA by streamlining and automating workflow processes for improved effectiveness and reduced costs. Paper forms are eliminated and specific PA questions for the patient, plan, and medication in question are delivered dynamically within the EHR. Additionally, CompletEPA auto-populates required patient information for added efficiency and accuracy, reducing the amount of time a physician has to spend filling out forms and supports real-time communications with PBMs to reduce frustration.

CompletEPA automatically populates key patient data within the EHR, making the ePA process faster and easier.



Increased competitive advantage

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Electronic PA using Surescripts CompletEPA within an existing EHR system provides significant benefits not only to doctors, but for all of the stakeholders involved in the process, including EHR vendors. Forward-thinking EHRs recognize that offering ePA capability to their customers presents a unique opportunity to increase efficiency for their customers while bolstering their bottom line with a service physicians want to buy. Leveraging CompletEPA within the EHR system allows vendors to:

- **Easily and cost-effectively enhance the value of the EHR solution.** CompletEPA addresses 70 percent of the time and inconvenience issues associated with PA. Making CompletEPA available as a part of the EHR offering automatically increases the value of the EHR to physicians.
- **Increase the satisfaction and retention of an existing customer base.** Fewer forms and phone calls to make with every PA, result in happier physicians.
- **Provide a point of differentiation for new customer**

acquisition. A recent survey revealed that 28 percent of physicians would consider switching their EHR vendor in order to acquire ePA capability. In that light, offering ePA within the EHR workflow provides an opportunity for EHRs to stand out from the competition and presents an opportunity for EHRs to charge more for a service that physicians will gladly pay for.

- **Integrate into the existing e-prescribing workflow.** Integrating ePA functionality into the existing e-prescribing process offered by the EHR system demonstrates a commitment to a higher quality of patient care and a more efficient and cost-effective process for physicians.
- **Expedite provider adoption.** We offer multiple implementation options to expedite the adoption of CompletEPA, bringing EHRs online sooner by reducing the EHR development workload, and partnering with them to drive provider adoption.

Electronic PA adoption

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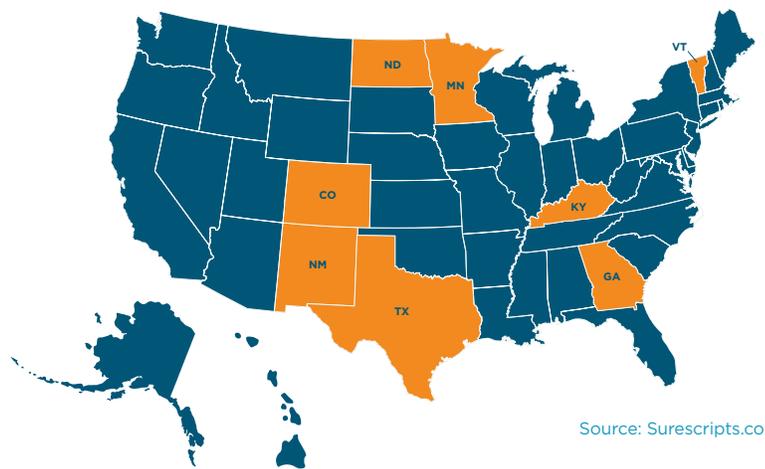
Electronic PA requires PBM and EHR connectivity in order to provide real-time PA responses on patient eligibility and prescription approvals. To date nearly 74% of PBMs have indicated that CompletEPA is their preferred ePA connection.⁵ The following PBMs, representing 220M insured lives, and EHRs, representing more than 200K healthcare professionals, are connected electronically to CompletEPA.

Over 300 EHRs and 4 PBMs including:

Agastha	DrFirst
Aprima	Express Scripts
CVSHealth	OA Systems
Design Clinicals	ScriptSure
DigiChart	Stratus EMR

Eight states have laws on the books mandating some form of ePA and numerous other states have drafted study laws with the intention of adopting ePA mandates upon completion. While there are no current ePA mandates, the NCVHS recently recommended that HHS adopt the NCPDP ePA standard to enable prompt industry implementation.

States mandating ePA



Source: Surescripts.com

Conclusion

Managing prior authorization doesn't have to be time-consuming and expensive. By implementing Surescripts CompletEPA, EHR vendors can reduce the administrative burden felt by their customers while enhancing the value of their current platform. At the same time, EHRs can increase overall satisfaction for their existing customers, differentiate themselves from other EHR vendors in the marketplace, and efficiently integrate into existing e-prescribing workflows.

For more information on CompletEPA visit surescripts.com/epa

References

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2. Managed Healthcare Executive, Moeller, *Manage Medical Advances with Automated Prior Authorization*, 2009
3. American Medical Association, "New AMA Survey Finds Insurer Preauthorization Policies Impact Patient Care," November 22, 2010
4. Journal of Managed Care Pharmacy, K.A. Hanson, et.al *An analysis of Antihypertensive Use Following Initially Rejected Pharmacy Claims for Aliskiren*, Sept. 2009, Vol. 15, No. 7, pg 573-57
5. Based on publicly announced Surescripts CompletEPA contracts as of September 30, 2014