CMS ADMINISTRATOR VERMA: PRIOR AUTHORIZATION NEEDED, BUT CAN’T IMPEDE PRACTICE OF MEDICINE

CMS Administrator Seema Verma said there are some areas of Medicare that scream for more utilization oversight -- and thus prior authorization -- but she also said prior authorization shouldn’t interfere with the practice of medicine or delay patient care, both issues about which providers have long complained.

Verma has previously lamented CMS’ inability to use Medicare fee-for-service prior authorization in the same way the private sector can, and the agency recently proposed adding prior authorization to a limited set of services in the 2020 hospital outpatient rule. But in June, CMS also asked for feedback from stakeholders on the burdens of prior authorization.

The Regulatory Relief Coalition told CMS that prior authorization requirements imposed by Medicare Advantage plans “pose the single greatest administrative burden for physicians caring for Medicare patients,” and a number of provider groups laid out ways to curb or streamline the prior authorization process.

America’s Health Insurance Plans, on the other hand, said it is “committed to, and working hard to affirm, the value of prior authorization while streamlining the process and still protecting patients and affordability.” While AHIP laid out steps it is taking to improve prior authorization, the group did not suggest ways CMS could improve the process.

Verma told reporters that prior authorization is something needed, particularly in certain aspects of Medicare -- though she didn’t elaborate on which areas those are.

“On one hand, prior authorization and utilization management has been shown to be a very effective method of assuring appropriate care and that you don’t have inappropriate use of the programs. It’s very widely used in the private sector as well. So, I think that it is a necessary tool. I can tell you that in the Medicare program we see some areas where we have, you know, large profit margins and at the same time we have high improper payments, and so that kind of screams of there needs to be more oversight of utilization and that’s where you would use a prior authorization program,” she said.

But while prior authorization is necessary, Verma said, it shouldn’t affect doctors’ practice of medicine or patient care access.

“So the way that I’m looking at it is we’re going to have to have prior authorization, we’re not going to do away with those types of programs. That being said, we’ve got to make them work in a way that doesn’t interfere with the practice of medicine, that there are not delays, that patients can get access to the services they need in a timely manner. So, I think I’m looking at how do we make the process work better to be less burdensome but also achieving the outcomes that it’s intended to,” Verma said. ■