

Pre-authorization: *(also: prior authorization, prior approval, pre-certification)*

This is a requirement that certain services, treatments or prescriptions be submitted to the insurer for review and deemed medically necessary before the patient receives that care.

If a patient doesn't secure a required pre-authorization, an insurer can deny coverage and the patient must pay the full cost.

Even when patients get pre-authorization, it is not a guarantee of payment: insurers can still deny coverage later.



BUT THE TIME-CONSUMING PROCESS,



DELAYS
treatments



RESTRICTS
access to medications
or specialists



INCREASES
out-of-pocket
costs for patients

SOME HEALTH PLANS USE PRE-AUTHORIZATION AS A GATEKEEPER, knowing that many patients won't pursue it or won't appeal when it's denied, to get the care they need.

Many physicians reported that pre-authorization:

90% | Negatively impacts patient outcomes.

94% | Delays access to necessary care.

79% | Leads to patients abandoning their recommended course of treatment.

30% | Leads to a serious adverse event for their patients.

(2020 & 2016 AMA Prior Authorization Physician Surveys)

The added step of pre-authorization deters many patients from filling their prescriptions:



of prescriptions flagged for pre-authorization are abandoned by patients at the pharmacy.

(CoverMyMeds, 2019)

How long a patient had to wait for prescription pre-authorization, even when the majority of similar requests were approved.

(Carlisle, Ryan T., et al., 2020)



31
BUSINESS
DAYS

“The extra administrative staff and other office overhead needed to handle pre-authorizations comes at a cost to patients, directly and indirectly. It comes in higher insurance premiums, higher prices for service, higher copays.”

~ Dr. Len Lichtenfeld, MD, Oncologist & Former Deputy Chief Medical Officer for the American Cancer Society

EMPLOYERS CAN address this by selecting or designing health plans that relax pre-authorization requirements, particularly for chronic conditions and time-sensitive illnesses like cancer.

Scan the QR code
to view a short video
about pre-authorization.

Also available at
[BetterRxBenefits.org](https://www.betterrxbenefits.org)

