The New Standard for Electronic Prior Authorization

April 10, 2014
Pharmacy Town Hall Series
Program Purpose

Explore prior authorization challenges and new electronic solutions in order to:

- Learn the value made possible by the new electronic prior authorization (ePA)
- Understand the SCRIPT standard for ePA
- Hear how information networks, EHRs and PBMs are implementing this new standard
- Discover how gaps in care can be addressed by real-time, integrated ePA and how you can help accelerate adoption
About NCPDP

Founded in 1977, NCPDP is a not-for-profit, ANSI-accredited, Standards Development Organization with over 1,600 members representing virtually every sector of the pharmacy services industry.

NCPDP members have created standards such as the Telecommunication Standard and Batch Standard, the SCRIPT Standard for e-Prescribing, the Manufacturers Rebate Standard and more to improve communication within the pharmacy industry.

Our data products include dataQ®, a robust database of information on more than 76,000 pharmacies, and HCldea®, a database of continually updated information on more than 2.3 million prescribers. NCPDP's RxReconn® is a legislative tracking product for real-time monitoring of pharmacy-related state and national legislative and regulatory activity. www.ncpdp.org
About Surescripts

Formed in 2001, Surescripts has evolved into the nation’s most comprehensive clinical network. Surescripts connects pharmacies, payers, pharmacy benefit managers, physicians, hospitals, integrated delivery networks, health information exchanges and health technology firms to enable the efficient and secure exchange of health information. More than 500,000 prescribers, 600 EHR applications and 94% of community pharmacists are active on the Surescripts network.

Guided by the principles of neutrality, transparency, physician and patient choice, open standards, collaboration and privacy, Surescripts provides information for routine, recurring and emergency care. Together with our network participants, Surescripts is committed to saving lives, improving efficiency and reducing the cost of health care for all. For more information, go to www.surescripts.com and follow us at twitter.com/surescripts.
About HIMSS

HIMSS is a global, cause-based, not-for-profit organization focused on better health through information technology. HIMSS leads efforts to optimize health engagements and care outcomes using information technology.

www.himss.org

Vision

Better health through information technology.
Today’s Speaker

Anita Murcko, MD, FACP

Dr. Anita Murcko is president and CEO of health consultancy, Cambiare, LLC and a clinical associate professor with 25 years of practice experience as an internal medicine physician. She has been formative in Arizona’s health information exchange, e-prescribing and electronic health records initiatives. She is a recent recipient of the American College of Physicians (ACP) Laureate Award, The Arizona Capital Times Leader of the Year in Public Policy for Healthcare and was selected by the Arizona Business Magazine as a Health Care Leader of the Year in Public Policy finalist.

During her tenure as with Arizona’s Medicaid program (AHCCCS) she served as Medical Director and interim Pharmacy Director for the reengineering of the State’s health plan for small business. More recently, as Medical Director for Clinical Informatics & Provider Adoption, she provided clinical and operational leadership for the Arizona Medical Information Exchange (AMIE) and the Purchasing & Assistance Collaborative for Electronic Health Records (PACeHR). She serves on the board of Arizona Health-e Connection.

Dr. Murcko received her MD from the University of Pittsburgh School of Medicine and completed her internal medicine residency at Indiana University. She is a member of HIMSS.
Today’s Speaker

Melissa Brown, Director - Benefits Messaging, Surescripts

Melissa Brown is a Product Director at Surescripts where she is responsible for Electronic Prior Authorization and other product offerings that leverage NCPDP Standards. Melissa is an active member of NCPDP and has more than 19 years of experience with the development, launch and implementation of health care information technology products and services.

Melissa has a Bachelor of Science Degree from the University of Wisconsin.
Forms, Fax, Phones and Portals
The impact of prior authorization (PA) today

Anita Murcko, MD, FACP
PA Forms and Formats Differ by plan and drug class

Manual completion and submission is burdensome.
“It’s a nuisance-time-consuming, and often not in the patient’s best interest”

–George G. Ellis, Jr., MD
Internal medicine physician & Medical Economics editorial advisor
Manual Prior Authorization Impacts Everyone

• At pharmacy patient and pharmacist learn prior authorization (PA) needed
• Pharmacist phones or faxes prescriber to request PA initiation
• Provider and pharmacy benefit manager (PBM) exchange multiple calls, faxes, portal forms
• After waiting days—or even weeks—and more calls PA obtained and patient notified
“On average, physicians spent more time dealing with [drug PAs] than any other interaction”

HealthAffairs
May 2009
“What Does It Cost Physician Practices To Interact With Health Insurance Plans?”
Prior Authorization Impact on Prescribers

“Interactions with health plans cost practices $23 to $31 billion yearly”

3- 8 hours
Per physician each week\(^1\)

$ Thousands
Per physician each year\(^1\)

Prior Authorization Impact on PBMs

90% of PA requests require phone or fax¹

Operational Inefficiency

$20 - $25 per submission to PBM²

91% of physicians are "frustrated with PAs"³

Physician abrasion

Damaged reputation

Patient complaints

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3. National Council for Prescription Drug Programs (NCPDP) ePA Task Group, December 2011
Prior Authorization Impact on Pharmacy

- $11,440 cost per pharmacist per year\(^1\)
- 4 hours median time spent on PAs per week
- 1,417 prescriptions need prior authorization weekly\(^1\)

Manual PA Impacts Patient Wait Times for Medicine

“My doctor increased the dose from 2mg to 4mg. I went to pick up my new script only to find out my insurance requires a Prior Auth. So I can’t pick up my script until this is settled and I am out of meds.”

- Patient, Online Forum

Streamlining Prior Authorization is a Top Priority for Providers

1 NCPDP ePA Task Group, 2011
2 Surescripts Survey (n = 2,391) http://www.ncpdp.org/pdf/NCPDPePATaskGroup__WhereHaveWeBeen__%20Final121511.pdf
3 Surescripts Survey (n=123)
The New Standard for Electronic Prior Authorization
Improved workflow efficiency solution

Melissa Brown
NCPDP SCRIPT Standards for E-Prescribing

- Formulary, benefit, eligibility capabilities
  - exchange between prescribers and payers for pharmacy benefits

- Prescription routing and medication history capabilities
  - exchange between prescribers, pharmacies, intermediaries, payers

- **Electronic prior authorization capabilities**
  - exchange between prescribers and payers for pharmacy benefits

NEW
NCPDP Standard for Electronic Prior Authorization (ePA) Transactions

- Officially approved as part of the NCPDP SCRIPT Standard in July 2013

Increasing workflow efficiency
Reducing administrative burden

Physician
EHR

PBM

Reducing administrative burden + Increasing workflow efficiency
NCPDP National ePA Standard was Successfully Pilot Tested

Pilot supported by industry leading companies
- Allscripts
- CVS Caremark
- Navinet/CoverMyMeds
- Surescripts
New Standard Enables Options for Prior Authorization Workflow

• **Prospective** workflow initiated at prescriber level *before* sending e-prescription to pharmacy
  
  o Physician identifies drugs requiring a PA before prescription is sent

• **Retrospective** workflow initiated at pharmacy *after* prescriptions is sent and rejected by PBM
Prospective ePA Implementation Approves PA Before RX is Sent

Benefit & formulary data referenced

ELIGIBILITY REQUEST / RESPONSE

ePA REQUEST / RESPONSE

PHYSICIAN notified if selected drug needs prior authorization

Pre-approved e-prescription

PBM

National Council for Prescription Drug Programs

surescripts

transforming health through IT
Prospective EPA Integration Within eRx Workflow - New Best Practice

- Leverages eligibility & formulary data to notify providers of medication PA requirements before e-prescribing
- Instead of forms, specific PA questions are sent to the EHR, based on patient, plan, and medication
- Pre-population of required patient information adds efficiency and accuracy to administrative tasks
- Real-time communications with PBM to complete prior authorization review before sending e-prescription
- Preapproved e-prescriptions routed to pharmacy and won’t be subject to PA block
## NCPDP ePA Message Types

<table>
<thead>
<tr>
<th>Message Type</th>
<th>Direction</th>
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</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>
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</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>
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*Note: All requests and responses are real-time bi-directional messages based on the NCPDP Script Standard*
## ePA Implementations Vary

<table>
<thead>
<tr>
<th>Capabilities</th>
<th>Prescriber Portals</th>
<th>PBM/Payer Portals</th>
<th>Fully Integrated into EHR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Integrated</strong> into physician EHR workflow</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td><strong>Prospective</strong> workflow capabilities</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Retrospective workflow capability</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Integrated into the e-prescribing workflow</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Automatically pull patient medical history from EHR into PA question sets</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Broad connections to several PBMs/Payers</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Bi-directional network of PBM/Payers and Providers/EHRs</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
Improving E-Prescribing Workflow with Electronic Prior Authorization

Using NCPDP Script Standard for ePA

Anita Murcko, MD, FACP
Prior authorizations initiated within EMR workflow

Prospective PA request complements e-prescribing workflow
PBMs return question sets within the EMR

Patient data is fictional and for demonstration purposes only
PA questions presented in logical, sequential, non-repetitive flow

Patient data is fictional and for demonstration purposes only
Most relevant questions displayed

Minimizes questions asked, based on earlier answers

Patient data is fictional and for demonstration purposes only
Review completed PA prior to submission

Patient data is fictional and for demonstration purposes only.
Approved response delivered to EMR

Patient data is fictional and for demonstration purposes only
PA status is shown within the EMR

Patient data is fictional and for demonstration purposes only
NCPDP SCRIPT STANDARD for ePA TODAY
Eight states have mandates for some type of ePA
Other states require uniform PA forms
Numerous states drafted study laws, planning ePA mandates upon completion
Stakeholders Involved in the New Electronic Prior Authorization Standard

**Standards**

- **NCPDP**
  - 2013 SCRIPT standard adds ePA transactions, after 18 years work.
  - Task group continues to evaluate SCRIPT standard improvements

- **DSMO** - Designated Standard Maintenance Organization
  - Recommended NCPDP Standard be adopted nationally for ePA

**Regulatory**

- **CMS** — Centers for Medicare/Medicaid Services
- **OESS** - Office of e-Health & Services
- **AHRQ** — Agency for Healthcare Research & Quality
- **NCVHS** — National Committee on Vital and Health Statistics

**Industry**

- **PBMs & EHRs**
  - Many are adopting the NCPDP standard and will begin transacting by summer 2014

- **ePA Pilot**
  - Allscripts, Caremark, CoverMyMeds, Navinet and Surescripts collaborated on a successful 2 year ePA pilot

- **HIT Networks**

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What You Can Do To Accelerate EPA Adoption

• Spread awareness about new SCRIPT standard for electronic prior authorization and its value

• Learn more about ePA
  o www.NCPCP.org
  o www.CompletEPA.com
  o www2.caremark.com/epa/epa-faq.pdf

  ▪ Prioritize the ePA SCRIPT standard with your EHR, health plan, PBM or pharmacy information network

  ▪ Educate your legislators about this ePA standard and improved care opportunities
Integrated SCRIPT Standard for Electronic Prior Authorization

Another step towards better care, better health and lower costs
Q & A
Slide & Recording Information

Please visit www.himss.org/library/pharmacy-informatics to download the slide deck and access the recording of this session.
Past Town Hall Sessions

Please visit www.himss.org/library/pharmacy-informatics to access previous HIMSS & NCPDP Pharmacy 2014 Informatics Town Hall sessions, sponsored by Surescripts, including:

- ePrescribing Best Practices: How You Can Make a Difference
- Medication History for Hospital and Emergency Room Settings: Better Data, Better Decisions