



## Optimizing Prior Authorizations and Appropriate Use Criteria (HB 2568 / SB 6404)

### Background

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Prior authorization is commonly used by health plans to ensure the appropriate provision of services. In the past few years, health plans have dramatically expanded the services requiring prior authorization. When prior authorization is applied beyond services where it is clinically justified, it creates significant and unnecessary delays to patient care. Also, health plans vary in their prior authorization criteria used for the same service, which increases variation in patient care.

### WSHA Position

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WSHA supports House Bill 2568/Senate Bill 6404 to create a new prior authorization work group to standardize the care delivered to patients and reduce variability among health plans for services.

WSHA strongly supports a bill to require health plans to provide data to the Office of the Insurance Commissioner (OIC) regarding the volume, as well as denial and approval rates, for services requiring prior authorization. The bill would then create a Governor-appointed, provider and health plan, clinical work group to select services for review and approve recommendations. A sub-group of providers with specific clinical expertise would review prior authorization requirements and select from national recommendations or create standard clinical criteria to be reviewed by the Governor-appointed work group. Commercial carriers, PEBB/SEBB plans, and Medicaid managed care plans would be required to implement the recommendations.

### Key Messages

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- Adoption of uniform criteria in lieu of prior authorization would significantly reduce delays and variability in patient care, reduce administrative burden and lower costs.
- The bill creates and authorizes a clinical work group to select and review services each year and make recommendations regarding authorization and standardization, using the information collected and provided by the OIC. Commercial carriers, PEBB/SEBB plans, and Medicaid managed care plans would be required to adopt the work group recommendations.
- Many services are provided more-timely and appropriately through adoption of uniform appropriate use criteria rather than prior authorization. Providers can better build the clinical criteria and pre-service requirements into their service delivery, creating needed consistency for patients.

### Contact Information

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