Prior Authorization Protects Patients From Low-Value Health Care

California Association of Health Plans

Californians deserve safe, high quality, high-value health care. Yet recent legislative efforts to dismantle prior authorization threaten to derail the progress we have made in our health care system by lowering the value and safety that Californians should expect and deserve from their health care providers.

What is low-value health care?

Low-value health care is medical services, procedures, tests, and treatments for which there is little to no benefit and has the potential for physical or financial harm to the patient, such as unnecessary CT scans or MRIs for uncomplicated conditions.

A 2019 JAMA Network study found that "the estimated cost of waste in the U.S. health care system **ranged from $760 billion to $935 billion, approximately 25% of total health care spending**."

Prior authorization helps to prevent the cascades of unnecessary tests, treatments, or procedures that, according to a recent national survey, **90% of physicians said they've seen bring physical or financial harm to a patient.**

While prior authorization is critical to reducing unsafe, low-value, or inappropriate care, health plans recognize that the process can be burdensome to providers and patients. Health plans are consistently working to streamline and enhance the patient and provider experience, using prior authorization in only limited circumstances when absolutely necessary to:

- Lower patients' out-of-pocket costs
- Protect patients and prevent misuse, overuse, and unnecessary (or potentially harmful) care
- Ensure care is consistent with evidence-based practices

Just like doctors use scientific evidence to determine the safest, most effective treatments, health plans rely on data and evidence to understand what tools, treatments, and technologies deliver the greatest value to improve patient health. **Prior authorization is not used for routine care.**

Dismantling prior authorization could lead to:

- An increase in unnecessary and ultimately harmful patient services
- Harm to patients by allowing doctors to prescribe medication that could have a harmful interaction with another medication the patient is using – which is checked during the prior authorization process
- Consumer confusion and increased health care premiums

Vote No on Legislative Efforts to Dismantle Prior Authorization in Health Care!

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Real World Medical Management Stories:

Health Plans Ensuring the Highest Quality Care and Preventing Wasteful Medical Spending

A Patient with Suspected Gallbladder Problem Receives Unnecessary CT Scan

A patient visited her doctor and complained of pain under her ribcage. Her doctor believed it may be a gallbladder issue and ordered a CT scan of the abdomen, even though evidence-based guidelines say that an ultrasound should be the first action taken. When provided with this information, the doctor reversed course and opted for the ultrasound.

The ultrasound allowed the doctor to get a clear look at the gallbladder without exposing the patient to radiation under a CT scan. Ultrasounds also cost far less than CT scans, while still allowing for a diagnosis on the condition.

This example of prior authorization not only saved money, but also protected and enhanced the patient's care by encouraging the use of proper imaging for this situation and providing the doctor with the information needed for a diagnosis.

Prior Authorization Prevents Unnecessary Radiation Exposure in State Medicaid Program

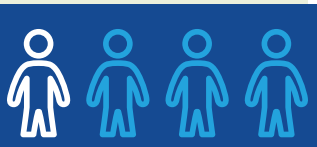
A Medicaid patient received 22 CT scans during her pregnancy at tremendous risk to her unborn child. In another case, a two-year-old child received 19 CT scans in a period of just one month, including five scans in a single visit. These are just a few examples of the poor quality of care that existed in a state fee-for-service Medicaid program prior to a prior authorization program being implemented. But in just the first year of the program being implemented in that state, the prevention of unnecessary radiation exposure led to the potential avoidance of more than 32 additional cancers in those Medicaid patients over their lifetimes.

Evidence-Based Guidelines Protect Patient with Ataxia From Unnecessary Radiation Exposure

A patient was feeling dizzy and went to see his doctor. The doctor believed the issue may have been ataxia, when a person lacks muscle control. Often providers will order a CT scan of the brain even though the evidence-based guidelines suggest that an MRI of the brain is the best option. An MRI provides a more detailed image and doesn't require radiation. Using evidence-based guidelines, the doctor ordered the MRI instead of the CT scan and was able to find the source of the issue faster and avoid unnecessary and potentially harmful radiation.

(Source: Evicore)

1 in 4 children who are prescribed antibiotics in the hospital are prescribed incorrectly.



Studies have found that up to **1 in 5 echocardiograms and up to half of all stress tests** performed in the United States may be rated as rarely appropriate, based on established guidelines for their use.

In the United States up to **15% of percutaneous coronary interventions (PCI),** where a stent is placed in the blocked artery via a catheter inserted in the wrist or thigh, are classified as rarely appropriate.

Ensuring providers are equipped with the most up-to-date medical guidelines is a crucial part of medical management and can make all the difference in whether a patient receives the quality care they need while avoiding wasteful, unnecessary, and potentially harmful procedures.

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