RESOLUTION 2019 B

SUBMITTED TO:	Michigan Osteopathic Association House of Delegates
SUBMITTED BY:	Ryan Christensen DO & M. Shane Patterson DO, MCOMA Delegates
RECOMMENDATION:	Approve as Amended
SUBJECT:	Prior Authorization and Utilization Management Reform

Whereas, according to an American Medical Association (AMA) survey, more than 90% of physicians said prior authorizations including, but not limited to, prescriptions, procedures and durable medical equipment, had a significant negative clinical impact, with 28 percent reporting that prior authorizations had led to a serious adverse event such as a death, hospitalization, disability, permanent bodily damage, or another life-threatening event for a patient in their care;[i] and

Whereas, the vast majority of physicians (86 percent) described the administrative burden associated with prior authorization as "high or extremely high," and 88 percent said the burden has gone up in the last five years; and

Whereas, 66% of prescriptions that get rejected at the pharmacy require a prior authorization, only 29% of patients end up with the original prescribed medication and 40% of patients end up abandoning the treatment altogether; and

Whereas, formulary changes are made indiscriminately and capriciously without notification to prescribers or patients and insurance enrollment periods are limited but policy and formulary changes by insurers can be made at any time; and

Whereas, nonmedical switching, when patients are switched to an alternative drug because the drug was removed from the formulary, worsened outcomes for 95% of chronic disease patients; be it,

Resolved, The Michigan Osteopathic Association adopt the following policy statement and affirm its tenets as a priority for advocacy:

The Michigan Osteopathic Association (MOA) asserts physicians using appropriate clinical knowledge, training, and experience should be able to prescribe and/or order without being subjected to need to obtain prior authorizations. The MOA further maintains that a physician's attestation of clinical diagnosis or order should be sufficient documentation of medical necessity for durable medical equipment. In rare circumstances when prior authorizations are clinically relevant, the MOA upholds they should be evidenced-based, transparent, and efficient to ensure timely access and ideal patient outcomes. Additionally, physicians that contract with health plans to participate in a financial risk-sharing agreement should be exempt from prior authorizations.

The MOA affirms that prior authorizations should be standardized and universally electronic throughout the industry to promote uniformity and reduce administrative

burdens. Prior authorizations create significant barriers for physicians to deliver timely and evidenced-based care to patients by delaying the start or continuation of necessary treatment. The manual, time-consuming and varied processes used in prior authorization programs burden physicians, divert valuable resources away from direct patient care, and lead to negative patient outcomes.

The MOA believes that generic medications should not require prior authorization. The MOA further affirms step therapy protocols used in prior authorization programs delay access to treatments and hinder adherence. Therefore, the MOA maintains that step therapy should not be mandatory for patients already on a course of treatment. Ongoing care should continue while prior authorization approvals or step therapy overrides are obtained. Patients should not be required to repeat or retry step therapy protocols failed under previous benefit plans. Additionally, the MOA asserts that health plans should restrict utilization management programs to "outlier" physicians whose prescribing or ordering patterns differ significantly from their peers after adjusting for patient mix and other relevant factors.

And, be it further

Resolved, that the Michigan Osteopathic Association assert and advocate to legislators, insurance companies, and insurance regulatory bodies that formulary changes should not occur more than 1 time per year and that any change require a 90 day written notice to the patient and prescribing physician that includes rationale for the change, and where the prescribed device or medication can be obtained; and, be it further

Resolved, that the Michigan Osteopathic Association formally join the AOA and other stakeholders in publicly supporting & affirming the "Prior Authorization and Utilization Management Reform Principles" (https://www.ama-assn.org/sites/ama-assn.org/files/corp/media-browser/principles-with-signatory-page-for-slsc.pdf) in addition to the aforementioned policy statement; and, be it further

Resolved, that the MOA forward this resolution to the AOA in 2019 for consideration and adoption in addition to the AOA's existing policy on prior authorization (H640-A/16 PRIOR AUTHORIZATION, etc.).

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[i] "1 in 4 doctors say prior authorization has led to a serious adverse event" in AMA News, https://www.ama-assn.org/practice-management/sustainability/1-4-doctors-say-prior-authorization-has-led-serious-adverse February 5, 2019. Accessed March 15, 2019.