

October 14, 2016

Jim Freeburg,  
Washington State Office of the Insurance Commissioner  
PO Box 40255  
Olympia, WA 98504-0255

**Transmitted by email**

Dear Jim,

Thank you for the opportunity to comment on the OIC's proposed rulemaking related to Prior Authorization. As you know, as part of our longstanding role as Lead Organization for Administrative Simplification, OneHealthPort has facilitated a Pre-Authorization Work Group. This group is comprised of subject matter experts from payer and provider organizations who volunteer their time to recommend best pre-authorization practices for the state's health care community. We deeply appreciate the time our work group members dedicate to this improvement effort and we have great respect for the expertise they bring to the table. The comments that follow on the OIC's proposed prior authorization regulations are submitted on behalf of the work group members, as listed below, and the Association of Washington Health Plans:

- Edmonds Family Medicine
- Pacific Gynecology
- Providence Health and Services
- Seattle Children's Hospital
- Sound Family Medicine
- The Everett Clinic
- Virginia Mason Medical Center
- Yakima Urology Associated
- First Choice Health
- Group Health Cooperative
- Premera
- Regence

In studying the work group's comments, I would respectfully ask the reviewers to consider the context of the recommendations:

1. The work group members have deep operational experience in the challenges of implementing prior authorization policies and practices in the day-to-day workflow within, and across, payer and provider organizations.
2. The comments that follow reflect a consensus recommendation that spans health plans, hospitals and practices.
3. The preference for electronic solutions over piling up more paper reflects a much larger trend in health care than just prior authorization and a much broader consensus than just the work group. Public and private sector organizations of all types are engaged in a wide variety of initiatives to accelerate progress toward electronic solutions and away from paper and phone calls.

### **Comment to the OIC from the OneHealthPort Pre-Authorization Workgroup**

The intent of the *BPR – Browser Capability for Prospective Review and Admission Notification* is to move the Washington State healthcare community towards automated methods for cost-effective submission and timely access to information and away from the cost and time delays associated with paper exchange. The CR101, on the other hand, appears to be allowing/encouraging even greater use of paper than exists today.

Regarding rule number 2016-19 ‘Pre-authorization process and transparency’:

- Subsection 5a calls for health plans to notify providers ***in writing*** about all pre-authorization decisions – ***approval*** and denial. (Note: NCQA only calls for written notices of denial, which continues to be supported by the workgroup.)
- Subsection 6 calls for health plans to be able to notify providers ***in writing*** about receipt of every submitted document AND provide ***written acknowledgement*** of information communicated in every telephone call.

In developing the current version of the *BPR – Browser Capability for Prospective Review and Admission Notification (BPR)*, members of the workgroup considered the following:

1. The existing level of paperwork already overwhelms providers. Efforts should be made to decrease paperwork rather than to increase it.
2. All relevant information about pre-authorization decisions that is needed by providers should be made available by the health plans on their web site.
3. The workgroup acknowledged NCQA’s current requirement about written notification about denials and wanted to make sure that the same information was conveyed on the health plan web sites. As such, the BPR states that the information about a pre-authorization denial that is provided on a health plan’s web site should be “similar to what is typically put in the denial letter.”
4. Paper exchange is an antiquated, cost-intensive practice and should be replaced with electronic communication exchange. The intent of the BPR is to encourage the use of web browsers and other electronic means to submit pre-authorization requests and supporting documentation, rather than to reinforce existing telephone fax and paper based methods. As such, the workgroup made a conscious decision NOT to address paper exchange in the BPR.
5. Phone call conversations with health plans *should always be available to providers to address questions or concerns that arise*. However, these calls are not the means by which pre-authorization information should be submitted. Information should only be submitted electronically, and the web site or X12 transactions should provide acknowledgement of that information to the provider.

In reviewing the CR101, member of the workgroup are in agreement that:

1. The proposed regulations would increase the burden on provider organizations and health plans.
2. Providers do not want nor need the volume of paperwork that would be coming their way if they were notified, in writing, of every phone call, every document submitted and every pre-authorization approval.

3. Notifying providers, in writing, of the above increases costs on the health plan as they will be required to maintain four different systems for receiving pre-authorization requests – phone, fax, web browser and X12 278 transactions (per ACA mandate) and three different systems for communicating information - paper, web browser and X12 278 transaction.
4. Any regulation should encourage electronic exchange and communication as the method to ensure timely submission of requests and to provide an audit trail of receipt of documentation. The use of the telephone or of written, paper based methods should be discouraged.

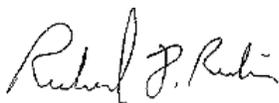
The workgroup strongly supports the need for pre-authorization related information as outlined in the CR101 language. However, the workgroup requests that the CR101 language be refined so that it:

1. Calls for health plans to a) be able to receive pre-authorization requests and supporting documentation by electronic means rather than by telephone and paper and b) be able to provide an electronic audit trail of their receipt.
2. Calls for health plans to make pre-authorization information, including approval decisions, available electronically via web and X12 278 transaction rather than in writing.

It is understood that the OIC's interpretation of "in writing" is "written or otherwise auditable", which means that posting on a health plan's web site as well as a written document are compliant with this proposed regulation. In accordance with this interpretation, though all health plans are required to supply information to providers, each one can choose whether they will make that information available on their web site or on paper. This inconsistency creates additional burden to providers. They want to access pre-authorization information in the same way regardless of health plan, and they would prefer that this method is not paper.

We appreciate your consideration of our comments. Please feel free to contact me if you have any questions.

Sincerely yours:



Richard D. Rubin  
President and CEO

Cc: Bill Campbell  
OneHealthPort Pre-Authorization Work Group  
Association of Washington Health Plans