KLAS RESEARCH | K2 Collaborative

K2 Collaborative Case Study

Leveraging Innovative Technology to Streamline Medication Prior Authorizations

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Executive Summary

For certain medications, obtaining prior authorization is a necessary step to ensuring effective, safe treatment for patients. The collaborators in this study recognized that the process for obtaining this authorization was not very efficient, adding manual, time-consuming tasks to physicians' and staff's already heavy workload. To improve efficiency, the collaborators created innovative capabilities that helped automate the submission and approval process for select drugs, including diabetic-related GLP-1 drugs. The technology has reduced approval times, denial rates, and physician abandonment rates, resulting in quicker access for patients to needed medication.

The Collaborators

Cleveland Clinic
Location: OH
Sizing: 6,690 beds

Healthcare Organization 1
Anonymous
Location: MN
Sizing: 2,071 beds

Optum Rx®
Headquarters: MN
Sizing: 61 million lives covered

surescripts
Headquarters: Arlington, VA
Segment: Interoperability

Points of Friction—Challenges to Be Solved

- **Prior authorizations for medications required duplicative work and placed a heavy administrative burden on physicians:** When a benefit plan requires prior authorization for a given medication, it becomes the responsibility of the provider or their staff to gather the requested information (such as clinical encounters, patient diagnoses, and medication histories) from the EHR, redocument it in the pharmacy benefit manager's required format, complete the prior authorization form, and submit it for approval. The process is time consuming and a significant dissatisfier for already overburdened providers and can span days and weeks depending on the amount of detail requested. The healthcare organizations in this collaboration—Cleveland Clinic and Healthcare Organization 1—reported seeing a year-over-year increase of almost 50% in the number of prescriptions requiring prior authorization and were seeing 30% of requests being abandoned by physicians before completion.
- **Barriers to prescription access lead to medication non-adherence and treatment abandonment by patients:** When patients encounter barriers to accessing medication, they may disregard their physician's prescribed orders, stop taking needed medications, never receive the medications at all, or attempt to acquire medications through alternative routes outside of their plan coverage (e.g., use cash pay coupons or discount programs or purchase medications from other countries).

Action Plan—How the Collaborators Worked Together to Reduce Friction

- **Identified a subset of medications on which to test their proof of concept:** Through executive advisory sessions held with pharmacy benefit managers such as Optum, Surescripts recognized the need to streamline the prior authorization process for prescriptions in order to improve patient access. Surescripts worked closely with Optum to identify a subset of drugs to test in the proof of concept and decided to focus on GLP-1 drugs for patients with type 2 diabetes. Over the course of the collaboration, the scope expanded to include additional disease states and medications. The collaborators also developed clinical data exchange capabilities to allow for a more automated process and a more seamless provider experience.
- **Developed innovative techniques for more efficient prior authorization:** With input from Optum and both healthcare organizations, Surescripts developed innovative capabilities for electronic prior authorization. Leveraging the existing electronic prior authorization workflow, Surescripts developed a way to signal that a given prior authorization request could be routed to the streamlined authorization process. The collaborators designed question sets that could be answered with system-retrieved clinical values. Surescripts also developed a method for extracting requested clinical data from the EHR via data exchange and analysis and for sending this data to Optum. On their end, Optum developed a solution within their current electronic prior authorization platform to validate that the information returned is accurate and within acceptable limits. The innovation has streamlined the prior authorization process, assisting providers in completing the question sets and reducing the abandonment rate.
- **Held meetings with all stakeholders and ensured workflows were aligned:** Surescripts and Optum held onsite meetings with Cleveland Clinic and Healthcare Organization 1 to understand their clinical workflows and processes. Additionally, Surescripts' clinical informatics team worked with clinical staff at Optum and the healthcare organizations to ensure connections and workflows were aligned.

Points of Light—Outcomes Achieved through Collaboration

The healthcare organizations in this case study reported the following combined outcomes:

- **Reduction in approval time, leading to faster prescription access for patients:** The healthcare organizations reported that with the previous, manual process, prior authorizations for GLP-1 medications took 15.0–20.0 minutes; with the automation, that time has dropped to an average of 0.5–3.0 minutes.
- **Increase in automated approvals:** 62% of approvals for in-scope medications (of which there are now over 20) are now automated, leading to 25% of applicable prior authorization requests being automatically approved.
- **Improvement in provider experience:** For in-scope medications, there has been an 88% reduction in appeals and a 68% reduction in denials caused by a lack of information.
- **Decrease in physician abandonment rate:** The percentage of requests for which physicians receive a question set for additional information but never complete it (i.e., the physician abandonment rate) has dropped from 31% to 25%.
- **Improved efficiency:** The automation has improved provider efficiency with administrative processes, giving providers more time to focus on patient care. It has also saved substantial FTE time, which can be repurposed to other tasks.

Lessons Learned—What Best Practices Can Other Organizations Replicate?

- **Approach prior authorization challenges from a broad, end-to-end industry perspective:** Trying to streamline prior authorization from just one point of view risks shifting the problem to a different part of the industry or simply digitizing the inefficiencies of a manual process.
- **Foster executive sponsorship from all stakeholder organizations:** Having executive sponsorship from all organizations in the collaboration ensured each organization's outcomes and ROIs were achieved. Holding regular meetings to share feedback on the process was imperative to maintaining a spirit of innovation.
- **Set realistic expectations with providers up front:** To appropriately manage expectations, Cleveland Clinic set realistic expectations with their providers at the outset.
- **Enable future scaling by defining the elements of a good use case:** After the initial use case (GLP-1 drugs), Optum was able to quickly expand to additional drug classes because they had already established the criteria for assessing which types of prior authorizations would be a good fit for the improved process. The criteria decided on was that the requests must have easy-to-extract elements, including diagnosis, allergies, lab results, and medication history. Since the initial use case, the team has expanded to support more than 20 medications, and more are planned.
- **Create trusting partnerships built on open, transparent communication with all stakeholders:** All stakeholders participated in weekly meetings to align on their goals and outcomes. When needed, ad hoc meetings were arranged to resolve issues as they arose. All stakeholders had to be agile, responsive, and willing to course correct as the proof of concept was rolled out.
- **Provide any workflow training needed to ensure desired outcomes are achieved:** To facilitate the timely prescription approvals the collaborators were seeking, some reeducation was needed on prescription best practices.

What's Next?—Vision for the Future

- **Cleveland Clinic and Healthcare Organization 1 would like to scale the automation to other medication classes and standardize it across pharmacy benefit managers:** Following the success with the GLP-1 drugs, the collaborators have rolled out the automation to additional drug categories. They have recognized that on certain medications, having even partial information already filled in can save providers administrative time and burden.
- **Surescripts is working to expand the automation to additional partners and additional drugs:** Surescripts is working to identify other pharmacy benefit managers, health systems, and EHR vendors to partner with to expand capabilities to a wider audience and additional drugs.
- **Optum aims to continue refining and enhancing the capability:** Optum is looking to continue refining and enhancing the capability, including enabling additional drugs and adding partial automation features to continue to reduce the provider burden when completing clinical question sets. With continued scaling of drugs and health system integrations, Optum aims to implement a digital solution to enhance the QA process.