# 2023 AMA prior authorization physician survey

KENTUCKY MEDICAL ASSOCIATION

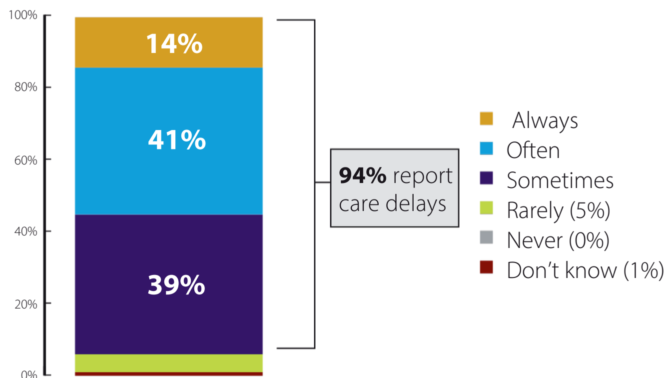
Prior authorization (PA) is a health plan cost-control process that requires health care professionals to obtain advance approval from the health plan *before* a prescription medication or medical service qualifies for payment and can be delivered to the patient. While health plans and benefit managers contend PA programs are necessary to control costs, physicians and other providers find these programs to be time-consuming barriers to the delivery of necessary treatment.

To assess the ongoing impact the PA process has on patients, physicians, employers and overall health care spending, the American Medical Association (AMA) annually conducts a nationwide survey of 1,000 practicing physicians (400 primary care/600 specialists) from a wide range of practice settings. As this year's findings demonstrate, the PA process continues to have a devastating effect on patient outcomes, physician burnout and employee productivity. In addition to negatively impacting care delivery and frustrating physicians, PA is also leading to unnecessary spending (e.g., additional office visits, unanticipated hospital stays and patients regularly paying out-of-pocket for care).

## Patient impact

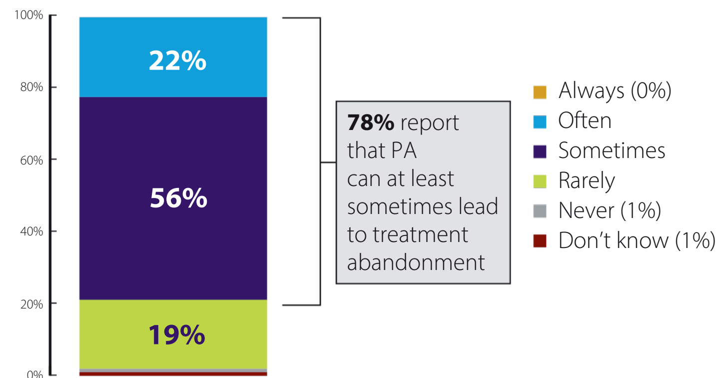
### Care delays associated with PA

**Q:** For those patients whose treatment requires PA, how often does this process delay access to necessary care?



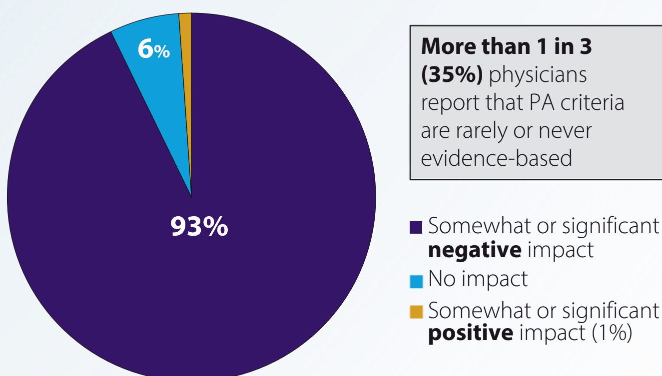

### Treatment abandonment due to PA

**Q:** How often do issues related to the PA process lead to patients abandoning their recommended course of treatment?




### Impact of PA on clinical outcomes

**Q:** For those patients whose treatment requires PA, what is your perception of the overall impact of this process on patient clinical outcomes?




***(Survey completed by the American Medical Association, 2024)***

**Nearly 1 in 4 physicians** 24%

report that PA has led to a **serious adverse event** for a patient in their care.

**19%** of physicians report that PA has led to a patient's hospitalization

**13%** of physicians report that PA has led to a life-threatening event or required intervention to prevent permanent impairment or damage

**7%** of physicians report that PA has led to a patient's disability/ permanent bodily damage, congenital anomaly/birth defect or death

# Physician impact

PA leads to substantial administrative burdens for physicians, taking time away from direct patient care, costing practices money and significantly contributing to physician burnout. PA undercuts the financial stability of physician practices that are already struggling to stay solvent in this time of dwindling Medicare payments.

On average, practices complete

**43**

**PAs per physician, per week**

Physicians and their staff spend

**12 HOURS**

**each week** completing PAs

More than **1 in 3** or

**35%**

of physicians have staff who work exclusively on PA

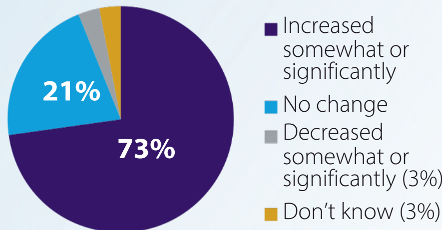
## PA denials

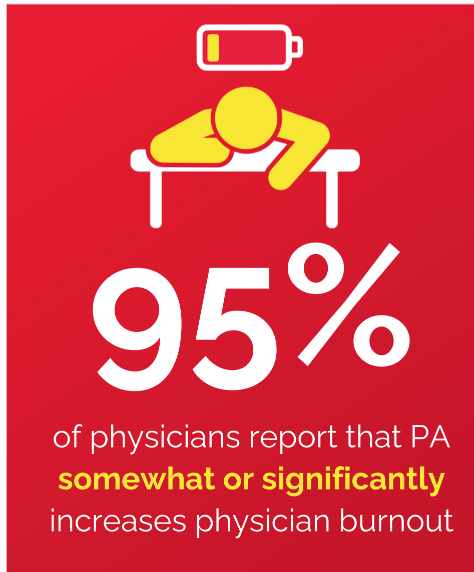
**More than**

**1 in 4 (27%)**

physicians report that PAs are **often** or **always** denied

**Q:** How has the number of PA denials changed over the last five years?



**95%**

of physicians report that PA **somewhat or significantly** increases physician burnout

## PA appeals

**Fewer than**

**1 in 5 (18%)**

physicians report that they **always** appeal an adverse PA decision

### Why don't physicians appeal?

**62%** report that they do not believe the appeal will be successful based on past experience

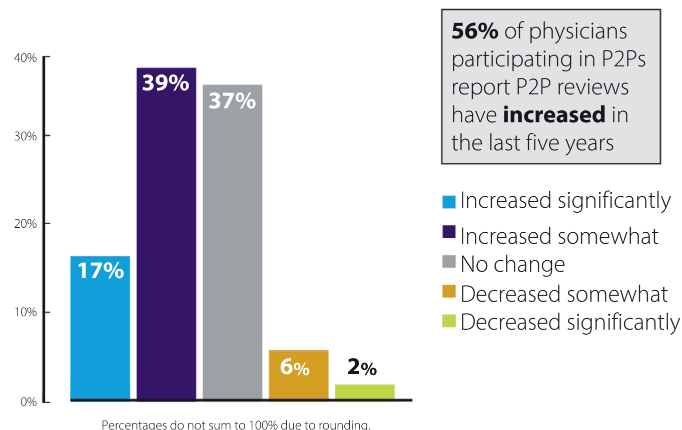
**48%** report that patient care cannot wait for the health plan to approve the PA

**48%** report that they have insufficient practice staff resources/time

When navigating the PA process, especially when appealing an adverse health plan PA decision, physicians are often required to participate in a "peer-to-peer (P2P) review" with a health plan representative. In fact, **almost two out of three physicians (61%)** report **at least sometimes** having to participate in P2P reviews.

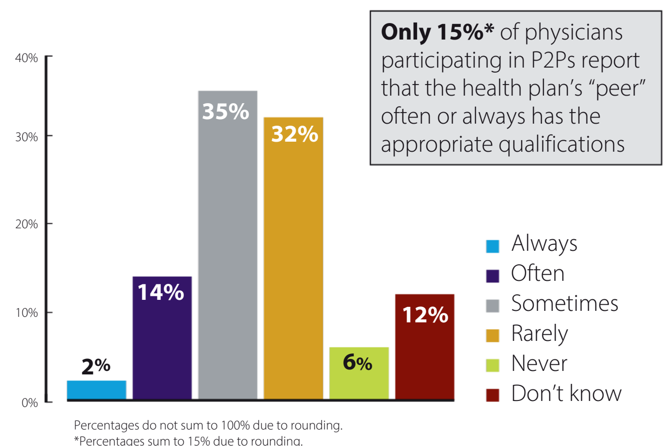
P2P reviews require the physician to speak directly with a health plan representative, disrupting patient appointments and consuming significant physician time. As the findings demonstrate, the frequency of P2Ps is increasing, and physicians often do not speak to an appropriately qualified "peer."

**Q:** How has the frequency of peer-to-peer reviews during the PA process changed over the last five years?




**56%** of physicians participating in P2Ps report P2P reviews have **increased** in the last five years

**Q:** How often does the health plan's "peer" have the appropriate qualifications to assess and make a determination regarding the PA request?




**Only 15%*** of physicians participating in P2Ps report that the health plan's "peer" often or always has the appropriate qualifications

***(Survey completed by the American Medical Association, 2024)***