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White Paper

Alleviating the Prior Authorization Burden in Sleep Medicine

INFINX Prior Authorization

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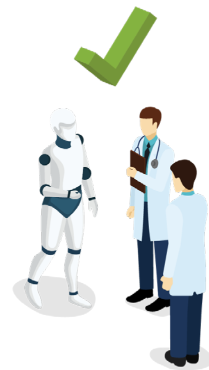
With the insurance industry unrelenting on reducing or streamlining the prior authorization process, sleep medicine practices continue to struggle with the operational implications of a burdensome and redundant system. With most sleep studies and tests, as well as many medications, requiring prior authorization, practices should consider an advanced automation solution that offers real-time processing integrated with the EHR/EMR.

Using artificial intelligence and machine learning, digital prior authorizations improve patients' access to care and relieve clinician frustration.

Prior Authorizations Create Frustration

It doesn't matter if you've recently completed your sleep medicine fellowship or have been a board-certified specialist for many years, prior authorization for sleep studies, testing, and procedures, as well as the associated equipment and medications, are a necessary pain that simply can't be avoided. While the symptoms of sleep disorders: loud snoring, weight gain, hypertension, trouble concentrating, gasping for breath, are undeniable, insurance companies will require providers to document the necessity of treatment before agreeing to reimburse.



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Prior authorizations create frustration in sleep medicine in a variety of ways, including:

- Delaying patient care for up to three or more weeks
- Causing a provider to alter their treatment plan for expediency (at-home vs. in-clinic studies)
- Being more susceptible to review and rejection because of insurance company bias
- Being administratively burdensome taking several hours to several weeks to complete
- Negatively impacting the scheduling process and, ultimately, patient care

Recent Calls for Change

The American Academy of Sleep Medicine (AASM) recently responded to the Centers for Medicare and Medicaid Services (CMS) call for input regarding prior authorizations,[1] stating that in their efforts to increase advocacy efforts they strongly recommended changes that would reduce administrative burdens placed on their membership.

Additionally, the AASM signed onto the American Medical Association (AMA) letter[2] expressing strong concerns to the House of Representatives Committee reviewing H.R. 3107, the Improving Seniors' Timely Access to Care Act,[3] meant to streamline and standardize the prior authorization process through Medicare.

While the American Healthcare Insurance Plans (AHIP) group has signed on to support all of the initiatives, insurance payers have been clear that prior authorizations are seen as an effective tool that helps contain costs and manage the care being delivered and the industry has seen the use of pre-auths increase, not decrease. Accordingto the Medical Group Management Association (MGMA) 90% of healthcare leaders report that payer prior authorization requirements are increasing with no end in sight.[4]

While there has been growing discord about prior authorizations for a number of years with major governmental and industry-representative bodies joining the chorus, little has changed. Even if there are foundational improvements considered, the prior authorization process will likely continue in a new form, but still requiring clinician and administrative time to manage. Being proactive to facilitate an efficient process seems to be the best solution.

Manual Processes Slows Down an Already Cumbersome System

The time involved in processing prior authorizations siphons valuable resources away from where it's needed while business staff process redundant paperwork, sit on hold while waiting turns, and faxing or refaxing paperwork all in the hopes of obtaining a quick answer. As documented in the 2020 CAQH Index,[5] over 79% of healthcare providers use a manual system that is overly burdensome.

Today, prior authorizations are required for many procedures, tests, and medications throughout healthcare — and sleep medicine is no different. In-lab sleep studies, many home studies, and therapeutic medications all need prior authorizations before the provider can begin to treat the patient. By handling the needed pre-auths manually, it's estimated that on average over two full days of administrative time per provider are required.

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3 Ideas to Make the Prior Authorization Process More Effective

Regardless of the industry stakeholder intention, it doesn't appear that prior authorizations are going to go away completely. Rather it's more likely that insurance companies will reign supreme and they will continue in some (hopefully) streamlined form.

No matter how frustrating, prior authorizations do seem to help curb healthcare costs. So the question may be how to make them effective in a sleep medicine practice while reducing the administrative burden/costs and improving revenue?

Here are three ways to make the process more functional:

1. **Always submit organized, clear documentation** — Understanding that insurance payers will likely question any request for in-clinic sleep studies, and expensive equipment and medication, documentation becomes key, including provider clinical notes.

   Implement a protocol or EHR/EMR template that ensures comprehensive documentation. Understand and stay ahead of what they are going to request, making sure to fully complete prior authorizations.

   Be sure to include medical criteria that insurance payers often ask for, including BMI, neck circumference, history of snoring, and length of symptoms.

2. **Be prepared for clinical review on in-clinic or assisted studies** — Most insurance payers will elongate the approval process calling for clinical review or outright reject the request. On the other hand, most insurance payers don't even require a prior authorization on an at-home study signaling their strong desire to funnel patients to that alternative regardless of appropriateness.

   Be ready to submit organized, concise, well-articulated appeals with all supporting information. Under the Affordable Care Act, all insurance payers are required to have an appeal process in place. Be sure to ask for a 72-hour expedited or urgent review to speed the process along.

3. **Consider a fully-automated prior authorization process** — Engaging advanced automation means using AI-driven software that is secure and comprehensive. If integrated with your EHR/EMR system, PA information can be collected, submitted, and followed-up 24/7 in near real-time.

When using a fully automated prior authorization system, there is significant opportunity to reduce administrative time and costs, as well as schedule patients much more efficiently. And should an appeal be needed; an automated system would generate and submit the appeal based on pre-defined parameters with associated documentation.

Advanced Automation for Prior Authorizations in Sleep Medicine

Using up-to-the-minute advanced automation, prior authorization software that uses artificial intelligence (AI) and machine learning may be the solution with the most benefits overall.

Cloud-based, automated PA software can be integrated bi-directionally with the sleep medicine practice's EHR/EMR and the billing system being used for client management. As soon as the patient's order is entered, tests or medications requiring PAs can be identified, provider/facility details, patient demographics, and test/diagnosis information collected, and an approval request submitted to the insurance payer portal electronically.

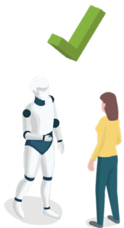
Electronic PAs would continually access clearinghouses storing thousands of insurance payer groups and plans, each with their unique guidelines and requirements and electronically determine the PA parameters for routing the request. PA approvals that once took several days or weeks can now be accomplished in seconds with a 98+% accuracy rate.

What's to be Gained with Automation

Let's take a focused look at the impact automated prior authorizations can have in sleep medicine:

- **Initial Processing** — From the moment patient information is entered into the EHR/EMR system, guided processes monitor for the key identifiers to initiate pre-auth approval. Matching ordered tests or medications with constantly updating insurance prior authorization requirements, the system stands ready to gather the required information and submit the request in real-time.

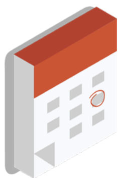
  Business or clinical staff no longer have to manually process forms, wait on hold, or fax repeatedly and can refocus their time on higher level functions.



- **Continual Follow-Up** — Once the PA approval has been submitted, automated follow-up occurs 24/7 until a final resolution is obtained. If additional information is required, or an appeal is necessary, the practice is notified immediately so that a response can be crafted and submitted as soon as possible.

- **Dashboard Notifications** — Waiting for insurance payer responses has historically been a time-consuming affair that took hours of manual follow-up and burdensome administrative effort.

  With an interactive dashboard, today's AI-driven PA software gives a practice snapshot clarity on all active PA requests so that patient and clinician questions can be answered, and follow-up made immediately.



- **Scheduling** — Alleviating the frustrations of having to schedule and reschedule patients based on PAs, a sleep medicine practice would have much more accurate parameters to allow a more efficient process for everyone improving the patient's experience and enabling the providers to focus on providing care.

- **AR and Claims Management** — With fewer PA problems comes less rejected or denied claims, possibly up to 31% fewer according to MGMA, and more revenue is hitting the bottom-line.[6] And as a bonus, AI-driven software exists that handles denied claims like a PA solutions with a >95% quality standard.

- **Analytics and Reporting** — Bringing full transparency to future operations, timely analytics, and reporting pinpoint any breakdowns in efficiency or areas needing improvement so that future sleep medicine patients benefit from an even better experience.

The Overall Cost Savings Available

According to the 2020 CAQH Index, each individual prior authorization industry-wide costs on average $14.24 to facilitate manually while using an electronically automated system would cost $1.93 per PA.[7] This is a savings of $12.31 per prior authorization and untold hours of frustration and rework.

In addition, the trickle-down effect would be a reduction in denied or reject claims which are currently left unresolved or abandoned with overwhelmed business staff lacking the time or understanding to pursue.

Is This Type of Electronic System Secure?

The Infinx Prior Authorization Software is a seamless and scalable solution, that uses Health Level 7 (HL7) or Application Program Interface (API) based bi-directional integration and is compatible with all leading EHR/EMR and sleep medicine billing systems. The Infinx Prior Authorization Software platform, embeds all Patient Health Information (PHI) in layers of security: Electronic Data Interchange (EDI) compliant and stores the data in the cloud using 64-bit and 256-bit encryption that guarantees 100% HIPAA compliance.

In Summary

As reliance on the field of sleep medicine continues to grow, differentiating your practice from others by offering pristine business support to referring providers or self-referral patients helps secure future potential patient growth. Your referral provider base will benefit their patients with more timely care initiation and less cumbersome reimbursement.

While healthcare associations and government entities continue to discuss streamlining PAs, it seems clear that the process itself will remain in place as a way for insurance payers to control care. Meeting the challenge seems a more prudent and proactive response instead of waiting for change to occur.

Contact Infinx to learn more about the efficiencies gained through automated prior authorizations for sleep medicine.

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