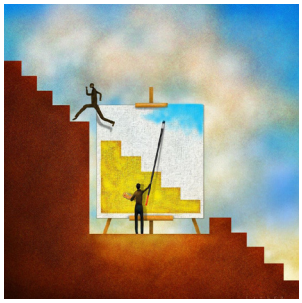
CAQH CORE

CAQH CORE PRIOR AUTHORIZATION CASE STUDY FINDINGS: CLEVELAND CLINIC AND PRIORAUTHNOW

ISSUE BRIEF



Automation can bridge gaps to patient care

Use of technology, standards, and CAQH CORE operating rules enable real time exchange of robust data to accelerate prior authorization adjudication, ultimately enabling timelier delivery of patient care.

December 2021

Introduction

Prior authorization is a tool used as a gateway to certain benefits of a patient's health plan to ensure high quality of care while concurrently controlling healthcare spending. The process to conduct prior authorization is labor-intensive and has become a significant source of administrative burden for healthcare providers and health plans. Despite longstanding efforts by industry and government to improve and automate the prior authorization process, it has remained predominantly manual. Barriers to automation include slow adoption of the HIPAA-mandated electronic standard — the X12 278, lack of infrastructure to support electronic submission of clinical information, and a myriad of state laws to name a few.[1] The 2020 CAQH Index report found that prior authorization remains the costliest and most time-consuming transaction to conduct and has the lowest rate of electronic adoption.[2]

On average, a prior authorization conducted manually (via phone, fax, email, or mail) cost health plans and providers $13.40. By switching from a manual to fully electronic transaction using the HIPAA-mandated X12 278 standard, the industry could save $9.64 per transaction.[3]

For more than 15 years, healthcare stakeholders have collaborated through CAQH CORE® to make the sharing of healthcare information across the industry more automated, predictable, and consistent. Designated as the national operating rule authoring entity by the Department of Health and Human Services (HHS) for the HIPAA-mandated administrative transactions, CAQH CORE develops consensus-based industry solutions for administrative, clinical, and financial business processes where providers, health plans, vendors, regulators, and standards setting bodies must work together.

To drive prior authorization automation, reduce spending, and increase industry adoption of electronic transactions CAQH CORE convened industry stakeholders to develop the CAQH CORE Prior Authorization Operating Rules.[4] Requirements in the operating rules relate to patient identification, response time, clear communication of additional clinical information needs, and status updates. In 2019, CAQH CORE launched its Prior Authorization Pilot and Measurement Initiative to quantify the impact of automation with Cleveland Clinic and PriorAuthNow as the first partners.

Results of the pilot demonstrate that automating prior authorization workflows by leveraging CAQH CORE operating rules, the HIPAA-mandated X12 278 standard, and Application Programming Interfaces (APIs), enables real-time adjudication, reduces the burden associated with completing a prior authorization, and expedites the delivery of patient care.

Pilot Overview

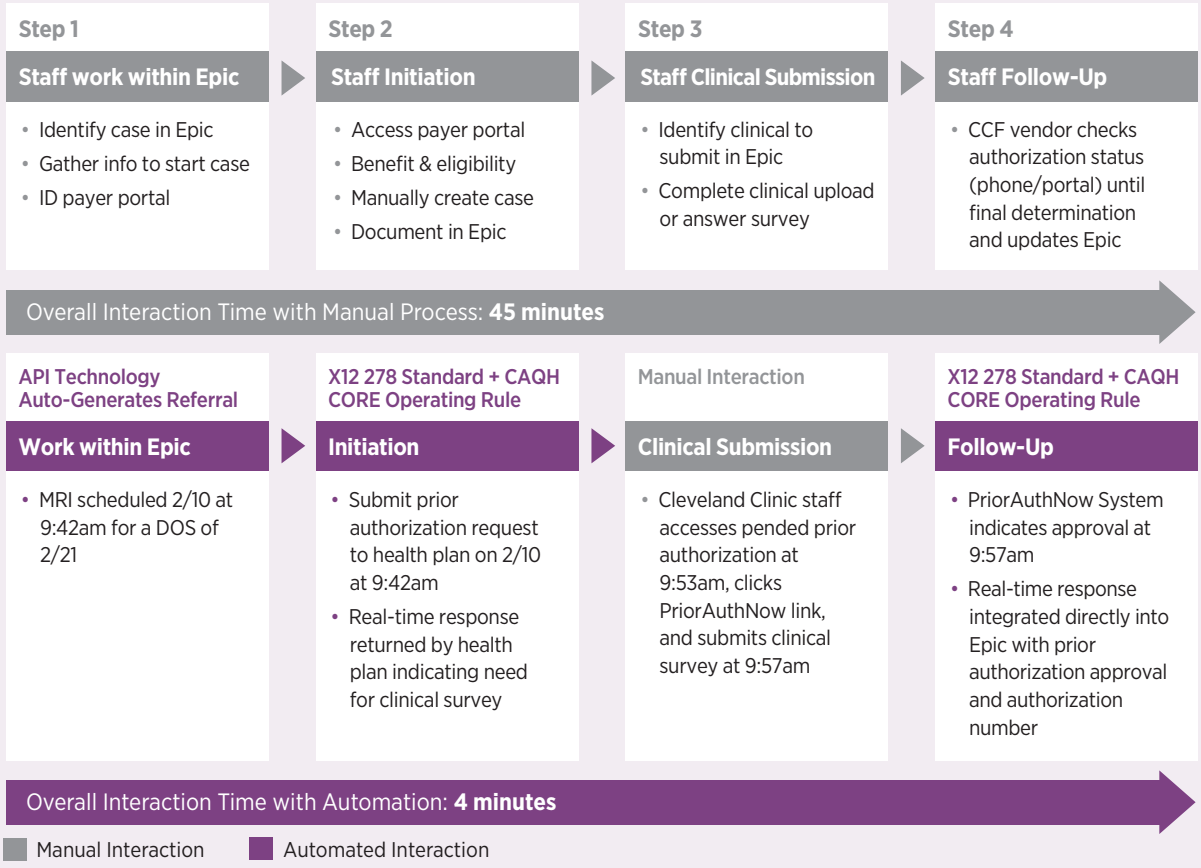
The CAQH CORE Pilot and Measurement Initiative partners with industry organizations to measure the impact of existing and potential future CAQH CORE operating rule requirements and corresponding standards on organizational efficiency metrics. Beginning in 2019, Cleveland Clinic, PriorAuthNow, and CAQH CORE launched a collaboration to measure the impact of automation[i] on prior authorization via a two-phase pilot study which examined workflows, technical specifications, staff satisfaction, and five efficiency metrics.

In the initial phase of the study, CAQH CORE conducted an onsite visit at Cleveland Clinic with PriorAuthNow to document how Cleveland Clinic staff interacted with the automation solution beginning with the initiation of a prior authorization request to the final disposition. CAQH CORE staff measured components of the prior authorization workflow at Cleveland Clinic that transitioned from a manual (including portals) to a fully automated process to quantify efficiencies gained via automation. A second component of the initial study phase was a staff satisfaction survey.

In the second phase of the pilot, CAQH CORE, Cleveland Clinic, and PriorAuthNow sought to measure the impact of automation on the prior authorization workflow for a specific service type by observing time savings and volumes for defined metrics. Prior authorizations for diagnostic imaging conducted by Cleveland Clinic from June 2020 through February 2021 were analyzed. These included prior authorizations that routed through the automated solution and those that went through the traditional manual process.

FIGURE 1:

Cleveland Clinic's Prior Authorization Workflow Comparison



[i] Automation is defined as the use of HIPAA-mandated ASC X12 278 standard, API Technology, and CAQH CORE Prior Authorization & Referrals Operating Rules.

Key Findings – Phase I

Prior to implementing its automated solution, the staff at Cleveland Clinic manually interacted with every prior authorization at each step in the workflow from scheduling an appointment to updating the final determination status in the electronic health record (EHR) (Figure 1). The overall time to conduct an end-to-end manual prior authorization averaged 45 minutes.

After implementing the automated solution, significant time savings were reported. As seen in Figure 1, an X12 278 Request for Services Review is automatically generated when a patient appointment is scheduled for any procedure code related to diagnostic imaging. Rather than moving this to a manual work queue for a staff member to begin the initiation process, the system automatically creates and submits the prior authorization request (Figure 2). This automation reduces the time to conduct a prior authorization to only four minutes, and includes the time saved on follow up and updating the status of the prior authorization within the EHR. What was once a four-step, 45-minute manual process, including the time to submit additional clinical information is now a four minute, nearly fully automated process, with manual staff interaction only needed to submit additional clinical information, if applicable. Without an attachment standard, submission of clinical documentation is still manual, but time saved from automating other components of the workflow allows staff to address clinical documentation needs more effectively.

After observing the effects of the automated solution on staff workflows, CAQH CORE transitioned to observe staff satisfaction with the automated solution. The Cleveland Clinic caregiver team working on prior authorizations using the automated solution was asked about their satisfaction with the tool and the impact on their workflow. The survey demonstrated that most staff saved time initiating a request, checking on status, waiting for next steps, and receiving a final determination. Additionally, staff found it easier to determine next steps and documentation needs and reported reduced job stress.

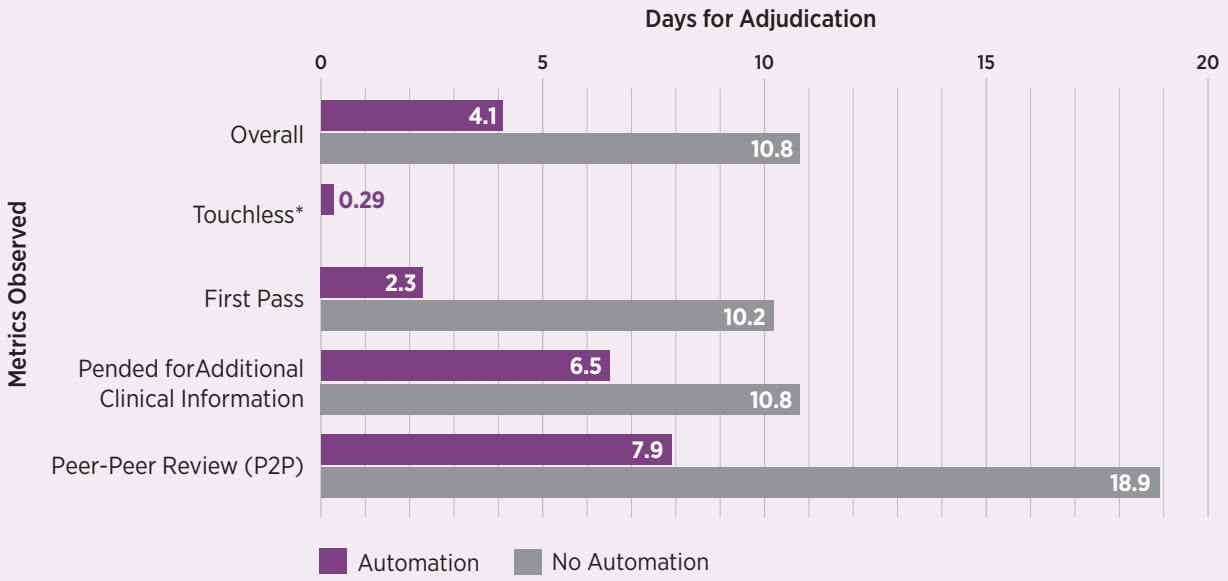
Key Findings – Phase II

To measure the impact of automation on the prior authorization workflow in the second phase of the pilot, the following time and volume metrics were observed and compared for prior authorizations conducted using an automated versus non-automated system:

Metrics Observed and Definitions

1. **Average Time to Adjudication for All Prior Authorizations:** The average time for adjudication for all prior authorizations from June 2020 to February 2021.
2. **Touchless Prior Authorizations:** Authorizations that required no interaction from Cleveland Clinic staff (fully automated).
3. **First Pass Approvals:** Authorizations that required no more than one interaction from Cleveland Clinic staff.
4. **Pended for Additional Clinical Information (Attachments):** Authorizations that were pended for additional clinical information.
5. **Pended for Peer-to-Peer (P2P):** Authorizations that were pended for peer-to-peer review.

FIGURE 2:
Time to Adjudicate Prior Authorizations in Days (June 2020 to February 2021)

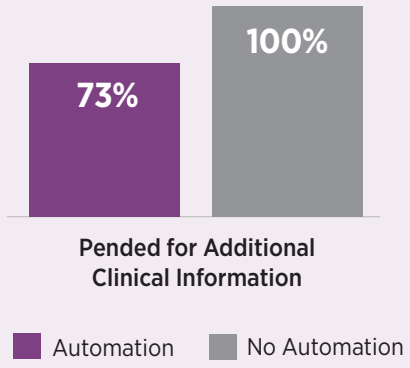


*Note: Touchless authorizations are a fully automated process therefore there is no time reported for no automation.

Efficiencies were observed for all five metrics studied (Figure 2 and 3) further demonstrating the impact of prior authorization automation:

1. Overall turnaround **time for a prior authorization request was 6.7 days less** when using automation compared to the non-automated workflow.
2. **Over 25%** of automated **prior authorizations were touchless – they required no staff interaction.**
3. Prior authorizations with **first pass approvals** (meaning no more than one interaction from Cleveland Clinic staff) were adjudicated **7.9 days faster** with automation.
4. **The number of prior authorizations pended for additional clinical information decreased by over 37%** using automation (Figure 3). This decline was due to providers initially submitting more accurate data or information to the health plan; allowing specific information to be requested by the health plan to adjudicate the request, easing provider burden on identifying the exact information needed for prior authorizations. Additionally, prior authorizations that were pended for additional clinical information, were adjudicated **4.3 days faster** when submitted through automation.
5. **Prior authorizations that required peer to peer review, a time-consuming process, were adjudicated 11 days faster** when submitted through the automated process versus those that were submitted through the manual workflow.

FIGURE 3:
Rate of Pended Authorizations for Clinical Information (June 2020 to February 2021)



In addition to improving efficiency, the pilot demonstrated the direct impact of prior authorization automation on patient care. For example, a prior authorization for a CT scan or evaluation service means a patient can more quickly be diagnosed and treated. A CT scan is often only part of a patient's diagnosis for receiving appropriate treatment. Often waiting for the approval for a CT scan results in an increase in patient stress and anxiety levels. While waiting for days for an approval of a prior authorization request, the provider cannot perform the needed diagnostic service or implement an alternative treatment plan resulting in delayed care. Even by automating just one category of service for prior authorization, as in this case, diagnostic imaging, patient experience is improved.

"Automation in prior authorization is a real opportunity that exists. Access to care is impacted by delays in prior authorizations and often results in patients feeling lost and more stressed as they await to hear status of their authorization. PriorAuthNow's solution demonstrates that by leveraging continuous improvement concepts, industry standards and automation, barriers in manual processing can be overcome and waste removed allowing caregivers to manage what matters most."

— Dan Medve, Director, Revenue Cycle Management, Cleveland Clinic

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Conclusion

The use of technology, including the HIPAA standard, CAQH CORE operating rules, and APIs enables real time exchange of robust data to accelerate prior authorization adjudication which ultimately results in timelier delivery of patient care. Clinical information can be automatically exchanged, with the standard which requires a consistent set of data to request a prior authorization, the CAQH CORE operating rules create uniform expectations for sending data in a timely manner and informing the provider on specific data needs, and APIs which can be integrated into an EHR. Through system integration and improved workflows, many of the burdens associated with prior authorization can be alleviated.

While progress to reduce the burden of prior authorization is being made using operating rules and the HIPAA standard, there is still much work to be done in this space. To further automate the prior authorization process, CAQH CORE is engaged with industry to alleviate burden associated with the exchange of additional clinical information (attachments).[5]

As a next step, CAQH CORE will continue to apply its integrated model to support industry efforts to automate prior authorizations and promote adoption by supporting industry implementations via CORE Certification,[6] expanding the Pilot & Measurement Initiative to track and measure impact on a larger scale and encourage engagement in the CAQH Index.[7]

To become involved, please reach out core@caqh.org.

Methodology

Data Collection

CAQH collaborated with Cleveland Clinic and PriorAuthNow to measure the efficiencies of automation on the prior authorization workflow. Data collection occurred in two phases. In July 2020, a staff satisfaction survey was developed and disseminated to Cleveland Clinic's prior authorization team. Data was submitted to CAQH CORE through an anonymous, survey-based process and results were presented on the Prior Authorization Automation Case Study Part 1 Webinar in August 2020.[8]

During the second phase of this project, data was collected on five efficiency metrics by time and volume for two comparison groups. Data included prior authorizations that were submitted from June 2020 to February 2021 for diagnostic imaging. All data was collected by Cleveland Clinic. For additional information on Phase II and corresponding findings, please visit CAQH CORE Prior Authorization Pilot Case Study Webinar Series, Part 2.[9]

Volume and Time Observed

Analyses of the five metrics (Table 1) compared volume and time for prior authorizations completed using PriorAuthNow's automated solution and those completed without using the automated solution. The volumes represent the total number of prior authorizations categorized under each metric, and the volume rate was calculated by dividing the volume for a specific metric by the overall total number of authorizations conducted. Given the multi-step nature of the prior authorization workflow, metric volumes were not mutually exclusive; therefore, the sum of each volume metric rate do not total 100%. Time encompassed the moment a prior authorization request was created in Cleveland Clinic's system (only for appointments scheduled within 30 calendar days of the request) to final determination of the prior authorization (approval or denial). Table 1 presents the five key metrics studied in Phase II.

Table 1: Phase II Key Metrics

	All Prior Authorizations		Touchless Prior Authorizations		First Pass Approvals		Pended for Additional Clinical Information		Pended for Peer-to-Peer (P2P) Review	
	VOLUME	TIME	VOLUME	TIME	VOLUME	TIME	VOLUME	TIME	VOLUME	TIME
Automation	21,456	4.1 Days	5,545 (26%)	0.29 Days	19,097 (89.0%)	2.3 Days	15,577 (72.6%)	6.5 Days	1,593 (7.4%)	7.9 Days
No Automation	58,739	10.8 Days			52,064 (88.6%)	10.2 Days	58,739 (100%)	10.8 Days	3,933 (6.7%)	18.9 Days

About CAQH CORE

Industry-led, CAQH CORE was formed to drive the creation and adoption of healthcare operating rules that support standards, accelerate interoperability, and align administrative and clinical activities among providers, payers, and consumers. CAQH CORE Participating Organizations represent more than 75 percent of insured Americans, including plans, providers, vendors, government entities, and standard setting organizations.[11] CAQH CORE Operating Rules and Certification Test Suites addressing seven healthcare business transactions have been issued to date. For more information, visit www.caqhcore.org.

About Cleveland Clinic

Cleveland Clinic is a multispecialty nonprofit academic medical center that integrates clinical and hospital care with research and education. Opened in 1921 as a multi-specialty group practice, Cleveland Clinic has introduced many medical firsts, opened facilities around the world and is proud to be ranked among the top hospitals in the country*.

**Cleveland Clinic has licensed technology to PriorAuthNow and holds equity in the company.*

About PriorAuthNow

PriorAuthNow is the only truly integrated prior authorization network that connects and enables true care collaboration between providers and payors. Our platform transforms medical prior authorization processes to accelerate time to patient care. To learn more, visit www.priorauthnow.com.

Endnotes

1 "Moving Forward: Building Momentum for End-to-End Automation of the Prior Authorization Process" CAQH CORE website accessed October 25th, 2021. https://www.caqh.org/sites/default/files/core/white-paper/CAQH-CORE-Automating-Prior-Authorization.pdf

2 "2020 CAQH Index" CAQH website accessed October 25th, 2021 https://www.caqh.org/sites/default/files/explorations/index/2020-caqh-index.pdf

3 Ibid.

4 "Prior Authorization & Referrals Operating Rules" CAQH CORE website accessed October 25th, 2021 https://www.caqh.org/core/prior-authorization-referrals-operating-rules

5 "Additional Medical Documentation/Attachments" CAQH CORE website accessed October 25th, 2021 https://www.caqh.org/core/additional-medical-documentationattachments

6 "CORE Certification" CAQH CORE website accessed October 25th, 2021 https://www.caqh.org/core/core-certification

7 "The CAQH Index Report" CAQH website accessed October 25th, 2021 https://www.caqh.org/explorations/caqh-index-report

8 "Prior Authorization Automation Case Study Webinar with Cleveland Clinic, PriorAuthNow and CAQH CORE" CAQH website accessed October 25th, 2021 https://www.caqh.org/about/event/prior-authorization-automation-case-study-webinar-cleveland-clinic-priorauthnow-and

9 "CAQH CORE Prior Authorization Pilot Case Study Webinar Series, Part 2: Prior Authorization Automation, with Cleveland Clinic & PriorAuthNow" CAQH website accessed October 25th, 2021 https://www.caqh.org/about/event/caqh-core-prior-authorization-pilot-case-study-webinar-series-part-2-prior

10 "CAQH CORE Participant List" CAQH CORE website accessed October 25th, 2021 https://www.caqh.org/core/caqh-core-participant-list