

August, 2009

Dear Patients,

Subject: Preauthorization of prescriptions, and radiological procedures

Many of you are asking about the time it takes our staff to preauthorize prescriptions, medication refills, and radiological procedures such as MRIs. There are many steps that need to be taken for the preauthorization to be approved by your insurance company. Basically a preauthorization is a series of hurdles or roadblocks which my staff has to navigate in order for these medications and procedures to be paid for by your health insurance plan. As you may be aware the HMOs tend to have more hurdles and restrictions than other types of plans. These pre-authorizations are required primarily to save the insurance companies money as they know that most primary care practices do not have the time or resources to attempt to get every prescription and every radiological procedure preauthorized. Their hope is that physicians will either prescribe from their individual restricted drug formulary or prescribe only generic drugs which are much cheaper. They also hope that we think very carefully before ordering expensive tests because in most cases it will take us much time and effort to attempt getting the preauthorization done.

What is involved for us to preauthorize a medication for you?

It sounds a lot easier to get preauthorization than it really is. In fact it has become a major nightmare for patients, physicians, and the medical staff.

1. If the prescribed medication is not on the specific drug formulary of the patient's medical plan, the pharmacist will tell the patient that the cost of the drug will not be covered by insurance without a prior approval from the insurance company. Your choices are to pay out of pocket (and hope to get reimbursed at a later date, but do not hold your breath), wait to get a preauthorization, or have a different medication (on the formulary) prescribed.
2. The pharmacist will notify our office usually by fax that the drug needs pre-approved. This notification could be done immediately or it may be done the next business day hence delaying the process an additional 24 hours.
3. After receiving this notice, your medical record is retrieved and the medication prescribed is checked (**10 minutes**). If we have access to your insurance plan's formulary we will attempt to prescribe an appropriate substitute. (**10 minutes**)
4. Your insurance company is called by our staff. (**usual wait on hold 10 to 25 minutes**)

5. Your demographic information is given to an insurance clerk on the phone. (They already have this information in their computer but they require us to give it them). **(10 plus minutes depending on communication skills of the insurance clerk.)**

6. A fax is sent from your insurance company to our office with forms for us to fill out stating the reasons why this drug needs to be prescribed. Your chart is reviewed so we can honestly answer their questions so you can receive your prescribed medication. **(10--20 minutes filling out the form. Each form is different and every insurance company has a different questionnaire for each particular drug)**

7. The information requested is faxed back to your insurance company. We wait for their approval or disapproval. Many times the insurance companies claim they never received the return fax from our office. When this occurs we are usually notified by an irate patient that they do not have their prescription because of our office inefficiencies. We are an easy target as we are not there to defend ourselves. When this occurs we restart back to step number three.

8. After several days, we may receive a fax back from your insurance company either authorizing or rejecting the drug; however, they may ask for a copy of your medical record to confirm that the drug is really necessary and the reasons are properly documented in the chart.

9. If the drug is approved, then we notify your pharmacy with a new prescription, the information is recorded in your chart and we notify you that your prescription has been approved. **(five to 10 minutes)**

10. If your prescription is not approved, then they may offer us a chance to appeal their decision by having one of our physicians contact their medical director to discuss the issues involved. **(15-20 minutes)**.

Remember those 10 steps are just for **one** preauthorization for one prescription medication. **One preauthorization can take well over one hour of staff time and tie up our phone lines.** Many medical offices have stopped doing pre-authorizations or are charging a fee to cover their overhead.

The amount of phone time and staff time per pre-approval is enormous and it is only getting worse. We do not receive any compensation for this pre-approval process and it detracts from the quality of care that we are able to deliver to our patients. We have received many complaints from patients not being able to get through the phone lines or being put on hold for extended periods of time. Often several of our phone lines are tied up because two or more of my staff members

are on hold trying to get pre-approvals!! We literally have an army of personal just to administer all the paperwork required.

To get pre-approval for a radiographic procedure takes the same amount of effort with the exception of even more phone time. Usually a copy of your medical record is also required to be faxed over prior to getting approval. (One reason is for the insurance company to ensure that you did not have a preexisting condition that you did not report to them and to make sure that some other insurance company is not responsible for covering your medical bills such as injuries sustained in an auto accident.) We also must get pre-approvals for physical therapy and must fill out referral forms for certain plans for patients to see a sub specialist.

To help us help you get the proper medication, we ask that you do the following:

1. At each visit, please bring all your medications with you (in a paper or plastic bag) as well as a current copy of your insurance company's medication formulary. Note that the formulary changes every year so potentially your medication may need to be changed.
2. Please be patient with our staff. They are doing their best and many times they are worn down by the end of the day because of numerous frustrating encounters with the insurance companies and their roadblocks.

We do care about our patients and are doing our best to ensure you stay in the best possible health.

Sincerely,

David D. Leonard, MD