



'Gold card' approach streamlines burdensome prior authorization

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Throughout my nearly three decades practicing medicine and serving two decades in Congress, I have heard numerous stories from physicians on the negative consequences of the prior authorization process. This system creates unnecessary administrative hassles and complicates care plans. Although prior authorization was established to prevent fraud and abuse, it has turned into a process that has removed value and efficiency from the practice of medicine as well as America's overall healthcare system.

During a meeting I attended had last year, a few Texas physicians discussed the concept known as "gold carding." They mentioned how the Texas Legislature passed a law that would allow for gold carding in the state. The premise for the law is that a physician who receives a 90% prior authorization approval rate over a six-month period, for certain services, could be granted a exemption from future prior authorization requirements. The gold card means doctors would no longer waste valuable and possibly lifesaving time with cumbersome paperwork.

A recent American Medical Association survey found that physicians and staff spent more than 16 hours each week on completing prior authorization requirements to get patients the medicines, medical services or essential procedures they need as determined by their care teams. On an annual basis, the survey concluded that 853 hours are spent on prior authorization tasks. The potential result is delayed patient care, often for months at a time.

Inspired by the Texas law, I introduced the GOLD Card Act of 2022. This legislation would exempt providers nationwide, who received approval for 90% of their requests in the last 12 months, from prior authorization delays for Medicare Advantage beneficiaries. Additionally, the bill would allow physicians to appeal an attempt by a Medicare Advantage plan to rescind the exemption.

The concept of rewarding high performance is not new to healthcare. One of the core principles of value-based care is that providers should be rewarded for the quality of



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care that they provide. Therefore, adopting a gold card policy would allow our healthcare system to transition toward one based on value and quality rather than volume.

The same AMA survey demonstrates the negative impact prior authorization has on physicians and patients. More than one-third of physicians have stated that delayed authorizations have led to hospitalization, disability, permanent bodily damage, or even death, for patients in their care. Also, 82% of physicians said that the requirements have previously led to patients abandoning treatments. In 2019, the cost of processing prior authorizations amounted to an estimated \$528 million, according to a report from the Council for Affordable Quality Healthcare. These statistics show the impact on individual patients and the overall healthcare system.

Like value, the efficiencies that could be achieved under the GOLD Card Act are important to physicians. The Department of Health and Human

Services' Office of Inspector General, in an April 2022 report, found that 13% of prior authorization denials by Medicare Advantage plans in June 2019 were for benefits that would otherwise have been covered under Medicare. The OIG cited the use of clinical guidelines not contained in Medicare coverage rules as a reason for improper denial. Basing the exemption off the approval rating for services previously provided allows the physician to be more efficient and streamlines the process for the patient's care plan.

Texas and West Virginia are the only states that have fully adopted a gold carding policy, and at least five other states are interested in considering such a law. A recent study by the Kaiser Family Foundation concluded that 99% of Medicare Advantage enrollees are in plans that require prior authorizations. Recognizing that this process affects a significant portion of patients across the country, fixing this process is a critical component of adding efficiency and further encouraging quality and value in our healthcare system. ■