TEXAS ORTHOPAEDIC ASSOCIATION
Established 1936

Gold Card Prior Authorization

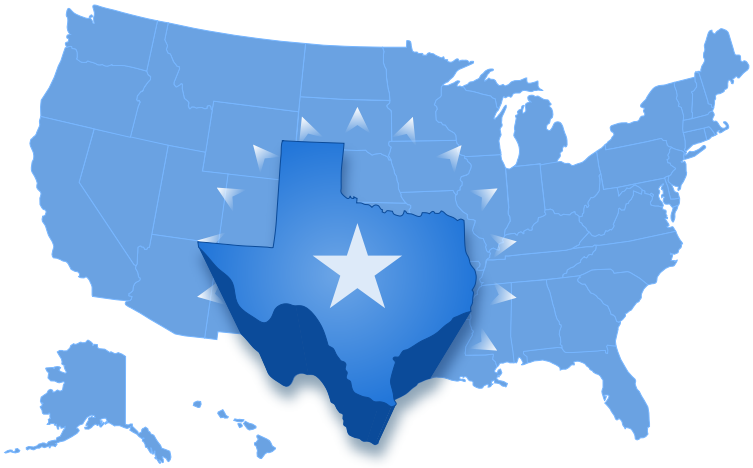
Texas Created the Nation's Model Prior Authorization Law

The 2021 Texas Legislature created the nation's model prior authorization law through HB 3549, which will:

- Prohibit a PPO or HMO regulated by the state of Texas from requiring a prior authorization for a physician who meets certain thresholds.
- If during a prior six-month period a physician was approved for at least 90 percent of prior authorizations for a particular service, that physician will not be subject to prior authorizations for that service for the next six months.
- Once the six-month period ends, the health plan may rescind the physician's exemption if it is documented that the physician did not meet certain medical criteria. The physician would have the opportunity to repeal the decision through an independent process.

TOA Recommends

The U.S. Congress and other state legislatures should pass similar prior authorization legislation to protect patients.



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PRIOR AUTHORIZATION: LEGISLATIVE REFORMS ARE NECESSARY

ACTUAL DENIALS

1%

TSAOG Orthopaedics' prior authorization data from the 2020 calendar year – which included 30,000 order sets related to orthopaedic surgery, imaging and procedures – resulted in a 97-percent approval rate of services that were never denied at any point in the authorization process.

TSAOG Orthopaedics' team determined that an additional 2 percent were ultimately approved after re-examining the denials. As a result, less than 1 percent of the 30,000 services were completely denied.

PRIOR AUTHORIZATION:

Ensure that unnecessary prior authorization hurdles do not stand in between patients and their physicians.

THE BURDEN

5 INTERACTIONS

Despite the relatively low peer-to-peer and denial rates across these order sets, TSAOG Orthopaedics' team still has to create the infrastructure to document and track all of the order sets, on the off chance that only between one to three out of 100 will ever escalate in a significant manner.

It's not just the cost of fighting denials, which requires an average of five interactions for each order, it's the required data provenance that contributes to the overall waste of the vast majority of prior authorizations.

1 WEEK OR MORE
1 IN 5 PATIENTS

For nearly 1 in 5 patients who sought an orthopaedic procedure or surgery through TSAOG Orthopaedics in 2020, insurance requests for additional clinical data routinely delayed a healthcare decision by one week or more.*

Source: Seventeen percent of procedure and surgical authorizations at TSAOG Orthopaedics in 2020 received requests for additional clinical data. The median time to authorization decision was 0.8 days for authorizations without clinical requests, vs. 7.8 days for authorizations where clinical data was requested.

The data are based on TSAOG Orthopaedics' 30,003 prior authorization requests in the San Antonio area during the 2020 calendar year.