



Points of Light

Points of Light 2024 Case Study 16

Using FHIR Standards to Streamline Prior Authorization Management
& Improve Patient Care

May 2024



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Executive Summary

The manual nature of prior authorizations creates an administrative burden for provider and payer organizations and delays patient access to care. The stakeholders in this collaboration worked to automate the prior authorization process by using Availity to connect the payer and provider solutions, allowing data to be exchanged more seamlessly. This project led to a faster turnaround time for prior authorization approvals, a reduced administrative burden, and improved access to care for patients.

The Collaborators



Location: AR
Sizing: 3 physicians

Humana

Location: Nationwide
Sizing: 8.7 million Medicare members



Headquarters: MA
Segment: EHR



Headquarters: FL
Segment: Prior authorization, HIE

Points of Friction—Challenges to Be Solved

- **The manual interventions, analog technologies, and inconsistent standards associated with traditional prior authorizations are extremely burdensome and impede timely patient care:** To initiate the prior authorization process, provider staff have to reach out to payer organizations—often spending hours on the phone each day—to provide relevant demographic and clinical information. This time-consuming, administrative-heavy work lowers provider staff morale and prevents them from spending more time on patient-centric activities. Once prior authorizations have been initiated, provider staff have to continually reach out to the payer organizations to see whether a determination has been made. Additionally, the manual nature of the prior authorization workflow inevitably leads to mistakes, which put patient care at risk. While electronic data interchange (EDI) standards are available for prior authorization, adoption within the healthcare industry is mixed, limiting EDI's ability to reduce administrative burdens.

Action Plan—How the Collaborators Worked Together to Reduce Friction

- **Harmony Park Family Medicine and Humana had a shared goal to automate prior authorization by leveraging the Da Vinci Burden Reduction implementation guide:** For over a year, the stakeholders extensively analyzed the implementation guide and their internal systems to define requirements for implementation. They created a direct connection between Humana's system and the provider organization's athenahealth EHR. Harmony Park Family Medicine then trained their staff on the new workflows. When provider staff document and sign orders to initiate prior authorization, they have all needed information and requests directly in their workflow. The automation makes the process faster and provides transparency throughout the process. Provider staff immediately know what actions need to be taken without having to spend hours making phone calls or sending emails or faxes.
- **Availity acted as an interoperability connector and converted data from athenahealth's FHIR API into the EDI 278 transactions required by Humana (and vice versa):** When implementing the connection between Humana and Harmony Park Family Medicine, Availity had a project management team as well as a testing and development team. Now, authorization requests are generated in athenahealth's system in the FHIR standard and sent to the Availity system, which converts it into the X12 278 format before sending the request to Humana. Availity also processes the X12 278 responses from Humana and converts them into a FHIR format before sending the responses to the athenahealth system.
- **The stakeholders submitted feedback and suggestions to the Da Vinci Project:** These suggestions were included in the updated implementation guide to help other organizations with their implementations.

Points of Light—Outcomes Achieved through Collaboration



Improved provider efficiency: The automated prior authorization process has saved Harmony Park Family Medicine's staff 24 hours per week in manual work.



Improved care quality: By removing manual prior authorization processes on the provider and payer sides, patients are able to receive care more quickly and achieve improved health outcomes.



Significantly reduced turnaround times: Within a few months of using the automated prior authorization process, turnaround times decreased significantly. 54% of monthly determinations required no authorization.



70% rate for instant authorization approval: 70% of the prior authorization requests sent by Harmony Park Family Medicine are instantly approved by Humana due to the integration between the athenahealth system and Humana's system, which enables robust data gathering and sharing. These instant approvals have dramatically reduced the administrative burden and also contributed to the reduced turnaround time.



Below-average denials rate: For prior authorizations that are processed manually, the denials rate is below the industry average.



Lessons Learned—What Best Practices Can Other Organizations Replicate?

- **Focus on a common goal:** The stakeholders had many open, transparent discussions to align on what the Da Vinci standards meant and how they should deploy them. Everyone had to adapt, share expectations, approach issues as a team, and recognize that all parties were learning.
- **Agree on what is required up front and ensure everyone understands terminologies and timelines:** Making sure that there is a collective understanding of the project will help people avoid making assumptions. Before a rollout, identify each group's roles and responsibilities, and reach out to the right people in efficient ways.
- **Ensure data is accurate and available:** Analyzing the data, checking data accuracy, and providing full data transparency will instill trust in all partners.
- **Understand the cadence of releases and deployment procedures for each organization:** When partners have different software-deployment logistics, it can create friction down the line that delays implementation. The stakeholders in this collaboration had different assumptions about how technology should be released, so it was important for them to understand how each party deploys software.



What's Next?—Vision for the Future

- **Improve business logic for retroactive integration:** Some business logic limits data throughput that should be part of the connection. Both Harmony Park Family Medicine and Humana want to improve the volume of data that successfully goes through the Availity integration.
- **Expand framework to other EHRs:** Humana wants to expand the prior authorization framework to other EHRs. They also plan to continually monitor the process to improve its efficiency.