2024 AMA prior authorization physician survey

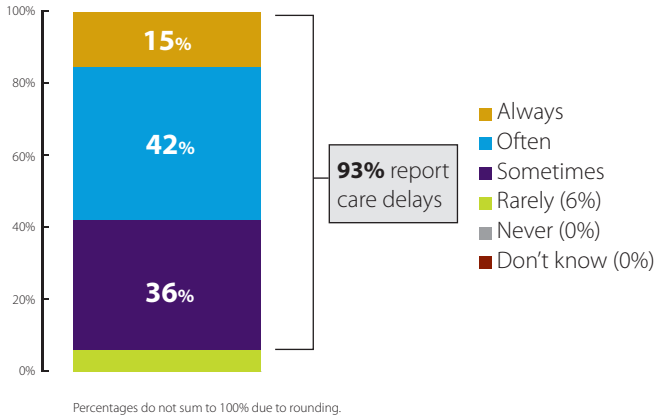
Prior authorization (PA) is a health plan cost-control process that requires health care professionals to obtain advance approval from the health plan *before* a prescription medication or medical service qualifies for payment and can be delivered to the patient. While health plans and benefit managers contend PA programs are necessary to control costs, physicians and other providers find these programs to be time-consuming barriers to the delivery of necessary treatment.

To assess the ongoing impact the PA process has on patients, physicians, employers and overall health care spending, the American Medical Association (AMA) annually conducts a nationwide survey of 1,000 practicing physicians (400 primary care/600 specialists) from a wide range of practice settings. As this year's findings demonstrate, the PA process continues to have a devastating effect on patient outcomes, physician burnout and employee productivity. In addition to negatively impacting care delivery and frustrating physicians, PA also leads to unnecessary spending (e.g., additional office visits, unanticipated hospital stays and patients regularly paying out-of-pocket for care).

Patient impact

Care delays associated with PA

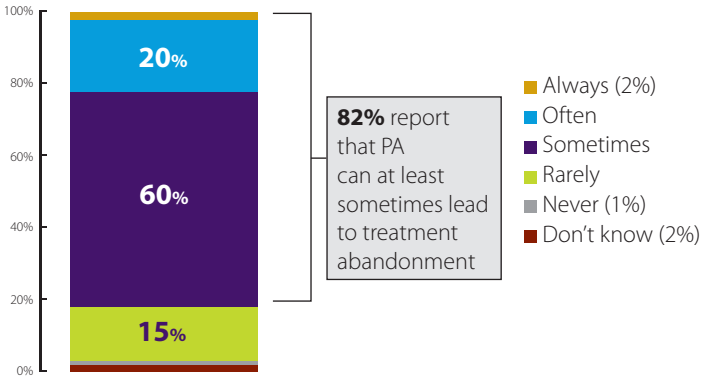
Q: For those patients whose treatment requires PA, how often does this process delay access to necessary care?



Percentages do not sum to 100% due to rounding.

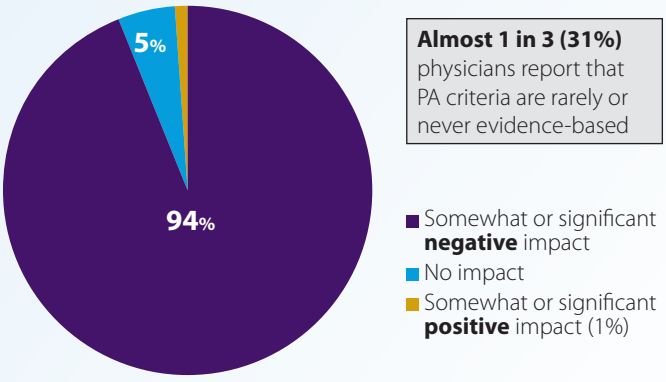
Treatment abandonment due to PA

Q: How often do issues related to the PA process lead to patients abandoning their recommended course of treatment?



Impact of PA on clinical outcomes

Q: For those patients whose treatment requires PA, what is your perception of the overall impact of this process on patient clinical outcomes?



More than 1 in 4 physicians (29%) report that PA has led to a **serious adverse event** for a patient in their care.

23% of physicians report that PA has led to a patient's hospitalization

18% of physicians report that PA has led to a life-threatening event or required intervention to prevent permanent impairment or damage

8% of physicians report that PA has led to a patient's disability/ permanent bodily damage, congenital anomaly/birth defect or death

Physician impact

PA leads to substantial administrative burdens for physicians, taking time away from direct patient care, while costing practices money and significantly contributing to physician burnout. PA undercuts the financial stability of physician practices that are already struggling to stay solvent in this time of dwindling Medicare payments.

On average, practices complete

39

PAs per physician, per week

Physicians and their staff spend

13 HOURS

each week completing PAs

40%

of physicians have staff who work exclusively on PA

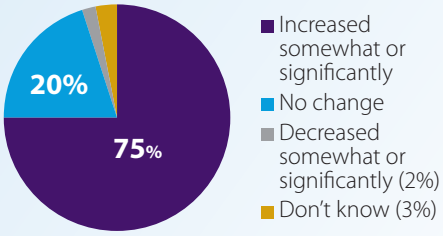
PA denials

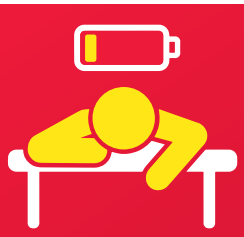
Nearly

1 in 3 (31%)

physicians report that PAs are **often** or **always** denied

Q: How has the number of PA denials changed over the last five years?





89%

of physicians report that PA **somewhat or significantly increases** physician burnout

PA appeals

1 in 5 (20%)

physicians report that they **always** appeal an adverse PA decision

Why don't physicians appeal?

67% report that they do not believe the appeal will be successful based on past experience

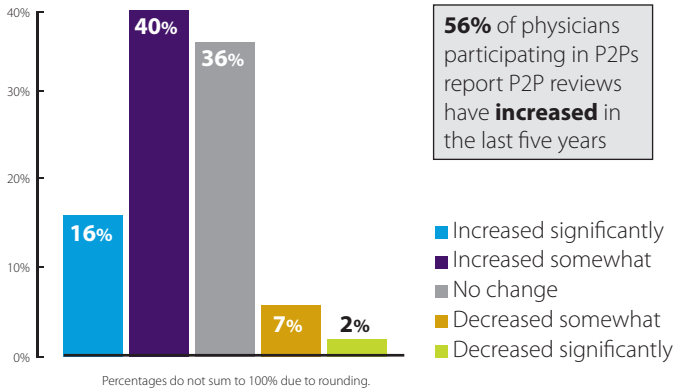
55% report that they have insufficient practice staff resources/time

53% report that patient care cannot wait for the health plan to approve the PA

61% of physicians report that they are **concerned** that augmented intelligence (AI) increases/will increase PA denial rates

When navigating the PA process, especially when appealing an adverse health plan PA decision, physicians are often required to participate in a "peer-to-peer (P2P) review" with a health plan representative. In fact, **almost two out of three physicians (65%)** report **at least sometimes** having to participate in P2P reviews. Because P2P reviews require the physician to speak directly with a health plan representative, P2P reviews can disrupt patient appointments and consume significant physician time.

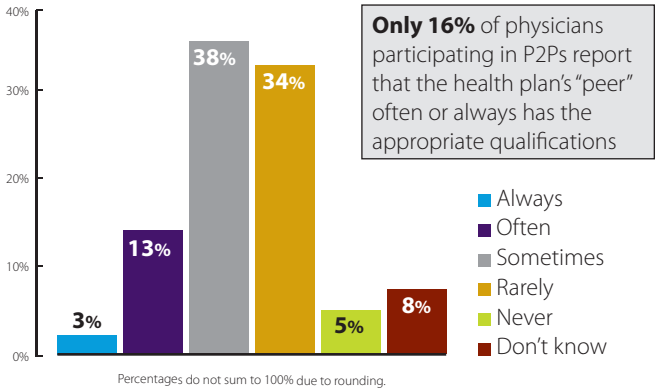
Q: How has the frequency of peer-to-peer reviews during the PA process changed over the last five years?



56% of physicians participating in P2Ps report P2P reviews have **increased** in the last five years

Percentages do not sum to 100% due to rounding.

Q: How often does the health plan's "peer" have the appropriate qualifications to assess and make a determination regarding the PA request?



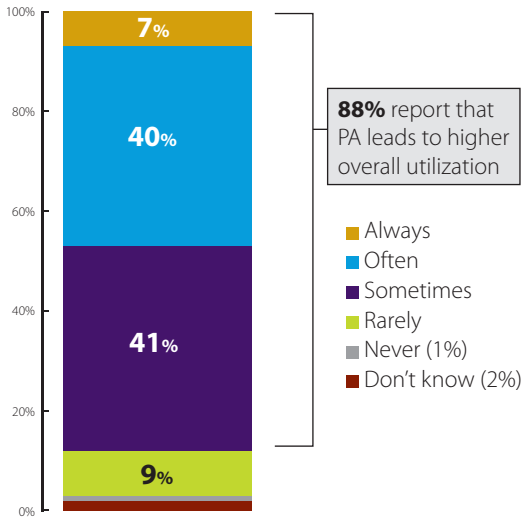
Only 16% of physicians participating in P2Ps report that the health plan's "peer" often or always has the appropriate qualifications

Percentages do not sum to 100% due to rounding.

What is the cost of PA?

Not only does PA negatively impact patient care and significantly contribute to physician frustration and burnout, it also adds **significant costs to the entire health care system**. For example, patients are often forced to try ineffective treatments and/or schedule additional office visits because of PA requirements and delays. These delays inevitably lead patients to seek more expensive forms of care, including emergency room (ER) visits, and can even lead to unexpected hospitalization.

Q: Please consider how your patients' utilization of health care resources is impacted by the PA process. In your experience, how often does the PA process lead to higher overall utilization of health care resources?



Q: In which of the following ways has the PA process led to higher overall utilization of health care resources for patients in your care?

77% report ineffective initial treatment (e.g., due to step therapy requirements)

73% report additional office visits

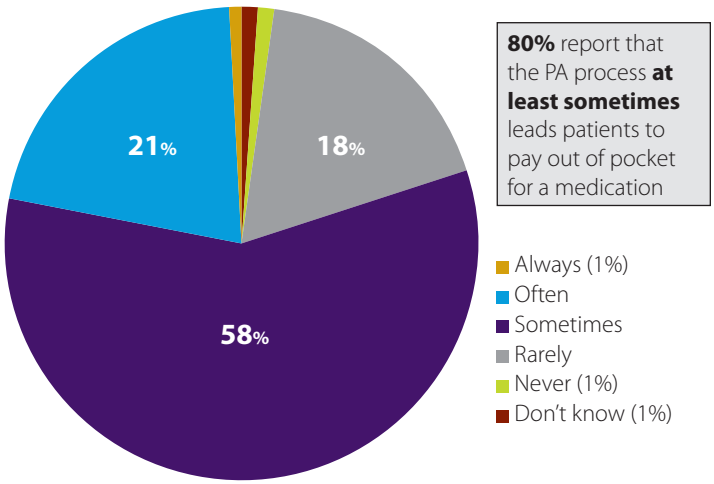
47% report immediate care/ER visits

33% report hospitalizations

In addition to higher health care resource utilization, PA can lead to other negative financial impacts for both employers and patients. Employers may face reduced productivity if PA causes employees to miss work due to rescheduled appointments or continued illness while waiting for care. In other situations, patients may pay out of pocket rather than endure PA-related care delays. Both scenarios raise serious questions about the overall value proposition of PA.

Patient out-of-pocket costs and PA

Q: How often does a PA delay or denial lead to a patient paying out of pocket for a medication that you prescribe (i.e., the health plan does not cover the prescription and the patient pays the full cost)?



Only respondents who reported completing prescription medication PAs were presented with this question.

Employer impact

58% of physicians with patients in the workforce report that PA has impacted patient job performance

Health plan PA performance

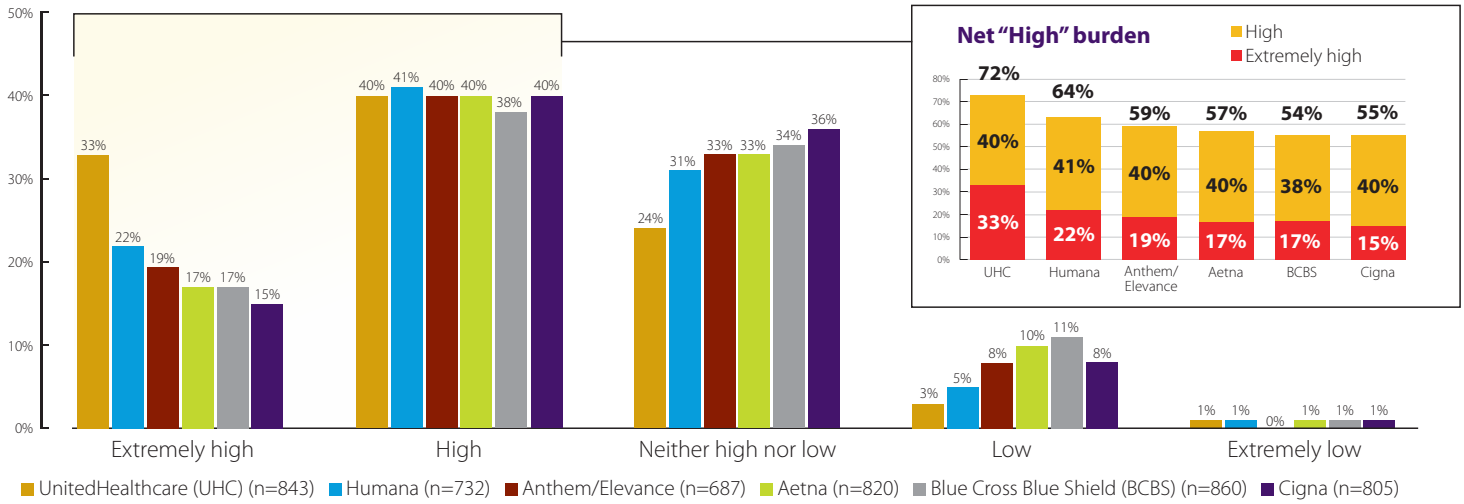
To reduce administrative burdens and promote access to safe, timely care, the AMA, along with the American Hospital Association, American Pharmacists Association, Medical Group Management Association, America's Health Insurance Plans, and Blue Cross Blue Shield Association, released the "Consensus Statement on Improving the Prior Authorization Process" (CS) in January 2018.[1] Unfortunately, despite being released **nearly seven years** before this survey was fielded, physicians report that health plans have made little progress honoring their commitments as outlined in the CS.

CS category	What do the numbers say?
Selective application of PA	• Only **10%** of physicians report contracting with health plans that offer programs that exempt providers from PA (e.g, gold card programs).
PA program review and volume adjustment	• A strong majority of physicians report that the number of PAs required for prescription medications* **(84%)** and medical services† **(82%)** has **increased** over the last five years. • Nearly 3 out of 5 **(58%)** physicians* report that the number of generic medications that require PA has **increased** over the last five years.
Transparency and communication regarding PA	• A majority of physicians report that it is **difficult to determine** whether a prescription medication* **(65%)** or medical service† **(61%)** requires PA. • Nearly **one in three (30%)** physicians* report that the PA requirement information provided in their electronic health record (EHR)/e-prescribing system is **rarely or never** accurate.
Continuity of patient care	• An overwhelming majority **(89%)** of physicians report that PA interferes with continuity of care. • **More than three in five (61%)** physicians report that PA **at least sometimes** destabilizes a patient whose condition was previously stabilized on a specific treatment plan.
Automation to improve transparency and efficiency	• Physicians report **phone** as the most commonly used method for completing PAs. • **Only 23%** of physicians report that their EHR system offers electronic PA for prescription medications.

* Only respondents who reported completing prescription medication PAs were presented with this question.
† Only respondents who reported completing medical services PAs were presented with this question.

While UnitedHealthcare (UHC) and Cigna announced reductions in the number of services that require PA in 2023,[2] only **16%** of physicians who work with UHC and **16%** of physicians who work with Cigna reported that these changes have reduced the number of PAs completed for these plans. In addition, physicians report consistently high PA burdens across major health plans, despite the commitments made in the CS.

Q: How would you describe the burden associated with PA in your practice for the following health plans?



Note: For each health plan, physicians who responded "don't know" or "I don't work with this health plan" were excluded from the analysis. Percentages may not sum to 100% or to the "Net 'High' burden" due to rounding.

Survey methodology

- Forty-three question, web-based survey administered in December 2024
- Sample of 1,000 practicing physicians drawn from Medscape panel
- Forty percent primary care physicians/60% specialists
- Sample screened to ensure that all participating physicians:
  - Are currently practicing in the United States
  - Provide 20+ hours of patient care per week
  - Complete PAs during a typical week of practice
- Complete survey questions can be found here https://www.ama-assn.org/system/files/ama-prior-authorization-survey-question-list.pdf

References

1. "Consensus Statement on Improving the Prior Authorization Process" available at: https://www.ama-assn.org/sites/ama-assn.org/files/corp/media-browser/public/arc-public/prior-authorization-consensus-statement.pdf, Accessed on Feb. 24, 2025
2. "2 big insurers take small steps to ease prior authorization burden" available at: https://www.ama-assn.org/practice-management/prior-authorization/2-big-insurers-take-small-steps-ease-prior-authorization, Accessed on Feb. 24, 2025