Argument that prior authorization saves money rings hollow

During the Senate hearings on the prior authorization (PA) bill authored by Sen. Melisa Franzen (DFL-Edina), representatives from the health plans and pharmacy benefit managers argued that without PA, prescription drug prices would skyrocket. The truth, however, is that PA has failed to stem prescription drug spending.

In its December 2014 publication Healthcare Spending Index, Truven Health Analytics showed that prescription drug spending grew at a rate of almost 3 percent during 2013 and the first half of 2014. The report attributed the increase to the price of drugs, especially biologic drugs. By the way, this increase is in sharp contrast to spending for physician and hospital services, which grew less than 1.5 percent during the same period.

My recent experience with PA also suggests that the process does little to reduce spending on prescription drugs. In the last two months, I have had to obtain PA for digoxin, furosemide, metoprolol succinate, prednisone and rituximab. The first four of these are generically available medicines and the prescriptions were all approved; thus, no savings.

In the case of rituximab, which I prescribed for a patient with a rare condition causing obstruction of the ureter, inferior vena cava and iliac artery, PA has added to the costs incurred by both the patient and the insurer. It is understandable that because rituximab is a biologic agent, it might be subject to PA. But when the medicine was not approved, it led to a long appeals process (the original prescription was written on January 28) that is still going on. The patient has hired an attorney to try to expedite an appeals hearing. In the meantime, the insurer is bearing the costs of ureteral stenting and will likely incur other costs, as the patient may need a procedure to protect circulation and avoid other complications. Thus, there are really no savings related to this, and a patient is forced to bear additional and unreasonable expenses. Most important, the patient is not getting a drug that could help.

The adverse effect of PA on access to appropriate medicines and patient health was described in a peer-reviewed study published in Health Affairs as “massive experiments on vulnerable populations.” Another review published in the Journal of Managed Care Pharmacy concluded that PA policies might appear to reduce drug-related costs, but that there was “little evidence that they improve clinical or humanistic outcomes.”

PA does nothing to solve the problem of rapidly increasing medication prices and little to curb overall spending on drugs. It is time to lay aside policies that cause harm to people because they restrict access to needed medicine and unnecessarily intrude on the patient-physician relationship. Once we do that, we can work constructively on sustainable efforts to truly gain control of rapidly rising spending on prescription drugs.

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