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January 17, 2024

Dear Sebastian,

Thank you for your follow up questions about Blue Cross VT's prior authorization attestation. Our overarching goal in everything we do is to ensure that our members have access to excellent quality care at a cost they can afford. Our prior authorization (PA) efforts seek to balance those three critical components.

As you know, we are a small, intensely local plan that focuses on the human side of health care, so there is some variability in our work. We do not do on-site time evaluations for the provider burden for PAs.

**Q1C:** Weighting factors such as medical literature, quality, and cost involves a nuanced approach. The weight applied to each factor may vary based on several considerations:

1. **Medical Literature:** This factor holds significant weight, especially in evidence-based medicine. Decisions heavily rely on current research, clinical trials, and expert recommendations to ensure the effectiveness and safety of treatments or services.
2. **Quality:** Quality considerations encompass aspects including patient outcomes, patient experience, and adherence to established clinical guidelines. The weight given to quality aligns with our commitment to providing optimal health care outcomes.
3. **Cost:** Cost considerations involve balancing the expenses associated with treatments, services, or interventions. While cost containment is crucial, it must not compromise the quality or effectiveness of care.

The specific weight given to each factor can depend on the context, the nature of the healthcare service in question, available alternatives, and patient needs.

**Q1D:** Provider administrative burden is a critical aspect when determining whether to implement a PA requirement for a particular service. When evaluating the impact of administrative burden, several factors are considered:

1. **Time and Resources:** This includes the administrative tasks, paperwork, and potential delays in care due to the additional authorization steps.
2. **Cost to Providers:** Consideration is given to the financial impact on providers, including the cost of administrative staff, time diverted from patient care to paperwork, and any associated expenses incurred in the authorization process.

3. **Member Impact:** We consider the potential effects on patients, such as additional visits, delayed care that can lead to adverse health outcomes, or increased frustration due to barriers in accessing necessary treatments or services.

## **2: Blue Cross VT PA Removal Information (Excel attached).**

Blue Cross VT reviews of the list of medical procedures and medical tests for which it requires prior authorization quarterly. We eliminate any prior authorization requirements for those procedures and tests for which requests are routinely approved with such frequency as to demonstrate that the prior authorization requirement does not promote a health care quality or reduce health care spending to a degree sufficient to justify the administrative costs to the plan.

### **Radiology**

- Blue Cross VT plans to remove the PA requirement for MRIs performed at VT Open MRI and NH Open MRI in 2024.
- PAs removed for VT in-network providers who had low denial rates for advanced imaging studies.

### **Mental Health**

- January 2023, removed the prior authorizations for in-state in-network mental health and substance use treatment at the following levels of care:
  - Inpatient
  - Residential
  - Partial hospital
  - Intensive outpatient treatment
- Assessed average lengths of stay compared to MCG criteria and denial rates and determined that these PAs were no longer required.
- The primary focus of this PA removal was to improve access to care and reduce treatment wait times.

### **Additional PAs Removed in 2022**

- CPT 86141 C-Reactive Protein- High Sensitivity, was removed on October 1, 2022 because the test is now considered medically necessary and is the standard of care.
- CPT 81221 CFTR (Cystic Fibrosis Transmembrane Conductor Regulator), was removed on October 1, 2022 because it is now considered medically necessary and is the standard of care.

### **Planned 2024 PA Removals**

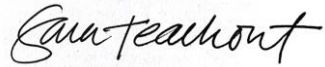
- Home Health: Our home health denial rate is low because we typically work with home health agencies to adjust the number of visits that are requested to match the actual need. We generally do not deny these nursing visits unless a member does not require skilled nursing and is determined to be at a custodial level of care. We are planning to remove this PA in 2024.
- Labor and Delivery: Our labor and delivery PA is related to payment and to flag that a new member is on the way, but we do not review for medical necessity. We are planning to remove this PA in 2024 and develop a different process to identify newborn members.

The weighting of administrative burden against other factors involves a delicate balance. While the aim is to streamline processes and control costs, it must not hinder timely access to essential care or disproportionately burden health care providers. Ultimately, the weight given to administrative burden

relative to other factors aligns with our objectives of delivering high-quality care efficiently and ensuring positive patient outcomes, which includes managing costs effectively.

If you have further questions, don't hesitate to reach out to us.

Warmly,

A handwritten signature in black ink that reads "Sara Teachout". The signature is written in a cursive, flowing style.

Sara Teachout