Negotiate MA Prior Authorization Policies to Ensure Adequate Care

Source: HHL, Sarah Schock, Mar 21, 2024
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Make patient outcomes a priority as Medicare Advantage (MA) plans create unique challenges with limits on the number of visits. MA patients are receiving less visits than traditional Medicare patients and being discharged with worse outcomes, according to a March 2024 study published in *The Journal of the American Medical Association*.

Looking at 178,195 traditional Medicare and 107,102 MA patients, the study found that in addition to having worse outcomes, MA patients had shorter home health lengths of stay and fewer nursing, therapy and aide visits compared with similar patients with traditional Medicare.

MA plans often limit the number of authorized visits, even when a patient could benefit from more care. This, coupled with MA plans making it cumbersome to obtain authorization, causes agencies to not be able to provide the necessary visits to achieve quality outcomes, explains Robert Simione, principal at SimiTree Healthcare Consulting of Hamden, Conn.

“Home health agencies already struggle with poor rates and can’t afford to do unauthorized visits that will not be paid,” he explains.

But not providing enough care will directly impact an agency’s HHCAHPS scores, Simione warns. It also has a direct impact on referral relationships because the probability of hospitalization and emergency department usage will increase post home health discharge when a patient needs more care than they are authorized to receive, he explains.

So, before taking on MA patients, agencies should ensure they can adequately care for them while staying within the authorized visit provision.

Focus on authorization policies

When contracting with MA plans agencies should focus on the authorization policies presented in agreements, Simione says. By carefully examining and negotiating the authorization policy before accepting the patient, agencies can avoid providing deficient care later.

There are a few tactics agencies can take during negotiations with MA contractors to ensure patients are getting enough visits:

Negotiate a rate with Patient Driven Groupings Model (PDGM) in mind. Agencies should attempt to negotiate a Medicare PDGM rate where authorization is not required for care, and PDGM rates are obtained, Simione recommends.

Get authorization for a specific time period. If PDGM rates are not available, then agencies should attempt to get authorization for a period of time, rather than a set number of visits, Simione suggests.

For example, he explains, agencies can ask for an authorization for 30- or 60-day periods at a time for the patient. This way, the agency can visit the patient as many times as necessary during that period, rather than just seeing the patient during the allotted number of visits allowed during a patient's home health stay.

Request frontloaded visits. Agencies should advocate for patients to get the care they need upfront, recommends Beau Sorensen, director of finance and operations at First Choice Home Health and Hospice in Orem, Utah.

Agencies often struggle to connect with the patient's primary physician to get a peer-to-peer review done or don't have enough quality documentation of the patient's condition to build a case with an insurance company's utilization review department.

Because of this, agencies should prepare the documentation in a similar manner to an Additional Documentation Request response or other medical review and present this to the MA contractor, Sorensen says. This documentation should show that the patient will have better outcomes if they are given the care they need upfront, rather than drawing out care over several episodes.

Bring negotiations back to the table

Sometimes even after contract negotiations, agencies find that the patient needs more visits than what's covered under their plan.

When this happens, agencies should review their authorization terms and negotiate for improvements, Simione says.

Use data to back up renegotiations. Agencies should utilize data to show their outcomes under Medicare.

For example, show the MA contractor any data that shows higher or lower hospitalization rates that can be linked to how many visits the patient received.

Agencies can show how the ability to provide the care needed will help the MA company achieve their goals of keeping patients from readmission to hospital or going to the ER.

“It is important to show your value to the plans and how you can help them,” Simione stresses.

Talk to the patient about their care. When renegotiations fail and the patient needs more care, the best option is to talk with patients about private pay services for the visit or two that their insurance won’t cover, Sorensen says.

“Consumers are getting more used to having to pay out of pocket for some medical costs, so giving them the option to pay for a visit or two to get fully healthy, and explaining to them the benefits of doing so is the best option,” he explains.