

Medicaid agencies need a convenient, cost effective and clinically-based method for handling pharmacy prior authorizations. An automated, clinically sound, pharmacy prior authorization system saves money, improves consistency and accuracy, and enforces appropriate drug regimens with sound therapeutic criteria.

The Challenge

Appropriate prescription drug regimens are critical to preventing, treating, and controlling many chronic and serious disease states such as diabetes, asthma, COPD, hypertension, congestive heart failure, depression, GERD, osteoporosis and migraine headaches. However, as new prescription drugs are introduced, the cost burden to the payor becomes more extreme. Through direct-to-consumer advertising and the Internet, patients are inundated with information concerning their disease states and suggestions for treatment. Even as prescription costs escalate, patients are providing more and more input regarding their therapies.

These realities create a significant challenge for Medicaid agencies—to **foster patient wellness through effective drug regimens, while at the same time controlling program costs**. The need for a clinical evidence-based automated prior authorization system seems imperative.



Prescribers save time through rapid and automatic generation of prior authorizations (left). RxPert saves patients time by rapidly interrogating their claims against the criteria database (right).

The Solution

RxPert® Prior Authorization System is the solution.

As drug regimens increase in complexity, the need for prior authorizations becomes essential for the industry. Successful prior authorization programs focus on providing clinical reviews of drug utilization history and consistent clinical reviews of appropriate criteria, reducing administrative functions and costs, and improving convenience. All prior authorization programs should focus on this agenda. However, many programs still require manual steps, such as fax transmission, and time-consuming and often inconsistent, expensive manual clinical reviews.

Automating the process reduces costs, improves consistency, and allows prescribers, dispensers, and agencies to reduce hours previously spent on manual submission and approval. This makes the process vastly more desirable to agencies, pharmacists, physicians, and patients.

HID leads the nation in automated Prior Authorization (PA) systems. RxPert, our automated PA system, performs online automated PA processing with point-of-sale data capture and clinical edit screening. RxPert incorporates pharmacy claims, medical claims, and data from eligibility systems and call centers. Its innovative design provides processing and speed advantages over other automated PA systems.

RxPert's Features and Benefits

RxPert automates the PA process by mining a large database of patient information, including pharmacy and medical claims (if available), and evaluating the data against algorithms that incorporate the PA approval criteria. When HID receives a claim, RxPert accesses the criteria that determine whether a PA should be issued for that drug, and the patient information for the individual presenting the prescription. If the criteria are met for the patient, RxPert immediately issues a PA approval to the claims processor, which stores it for future use and authorizes the pharmacist to dispense the prescription.

If the criteria are not met, RxPert stores in its database the reasons they were not met, and sends a message to the claims processor indicating that the claim is denied. The claims processor notifies the pharmacist that the claim has been denied due to lack of a valid prior authorization.

RxPert's robust functionality provides the following benefits:

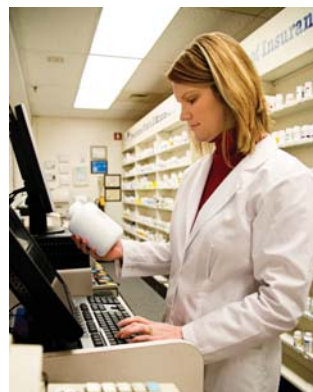
- Automatic claims routing
- Rapid screening of claims against beneficiary information
- Rapid claims assessment
- High percentage of approval
- Minimized need for manual PA processing
- Decreased need for follow-up interaction between the patient, pharmacist, prescriber and payor
- Minimized physician paperwork
- Therapeutic Criteria

HID's automated PA program is based on evaluating claims and patient data against the clinically sound, rational, evidence-based criteria we have developed over our 32 year history. To achieve this goal, HID dedicates full-time clinical pharmacists to maintain HID's vast criteria database—the clinical engine that drives the PA process. New criteria are developed and incorporated into the criteria database as new drug entities are approved and introduced in the marketplace. The criteria provide the basis for focused clinical analysis that can lead to significant savings in drug and medical costs and improved patient outcomes.

One of the most powerful aspects of our criteria set is its customizability—each criterion can be modified by the client, as desired. Our criteria support professionals are always available and responsive.

RxPert's Design Advantages

RxPert's internal logic and database design provide the ability to quickly evaluate claims requiring prior authorizations. Each time RxPert's claims database is updated, RxPert evaluates pharmacy and medical claims against the PA criteria for all patients included in the database. This "pre-processing" produces a smaller, enhanced data set that contains the results of the criteria evaluation and is indexed by criteria rather than by NDC. When a new claim is entered requiring PA, it is checked against the enhanced data set rather than the entire claims database. This significantly reduces the overall time needed for real-time authorization processing.



RxPert saves pharmacists time by automatically generating approval and denial messages based on the claims database (left). RxPert's internal logic and database design provide the ability to evaluate claims requiring prior authorizations more quickly (right).



Summary

RxPert provides benefits to all participants in the healthcare environment. Medicaid agencies recapture staff hours previously spent manually submitting and managing PA requests. Physicians and providers gain precious time savings through rapid and automatic generation of prior authorizations. They also receive consistent reinforcement of recommended drug regimens.

Additionally, RxPert provides significant cost savings to Medicaid agencies by reducing the administrative expenses involved in receiving and responding to manual PA requests. The consistency and effectiveness of automated prior authorization ensures that earlier therapeutic criteria are met before more costly therapies are prescribed.

Most importantly, the overall healthcare of patients is enhanced through the necessary succession of therapeutic criteria that results in positive utilization of drug regimens.

The Company

As a leader in healthcare data analysis, HID understands the challenge. HID provides drug utilization review, prior authorization, and related clinical support services for clients in more than 20 states. With over 30 years of experience and our large client base, HID is proud to be the most experienced and qualified provider of drug utilization review and pharmacy support services in the country.



Health Information Designs, Inc.
391 Industry Drive, Auburn, AL 36832
(800) 255-6998 info@hidinc.com