

Prior Authorization for SelectHealth Advantage (Medicare) and SelectHealth Community Care (Medicaid)

SelectHealth has traditionally subjected a minimal number of medical services to prior authorization for commercial lines of business. However, managed Medicare and Medicaid, which SelectHealth will begin administering in January 2013, differ from commercial insurance due to the risk of the populations and government regulations that limit the ability to use benefit design and cost sharing to direct members to cost effective care. In addition, Medicare and Medicaid regulations prevent a provider or facility from balance billing members in most cases. This means that Intermountain or SelectHealth would be responsible for coverage of services that have been denied or deemed not medically necessary.

In the face of growing national utilization trends and increasing new technologies, there is consensus among successful Medicare Advantage and Managed Medicaid plans that prior authorization is a reasonable and necessary approach to ensure success with these products. Addressing utilization management in key areas *before* a service is provided can reduce patient and provider dissatisfaction caused by a surprise denial after a service has been performed, and it will avoid Intermountain or SelectHealth from incurring the costs of services that are not medically necessary. For this reason, SelectHealth Advantage and SelectHealth Community Care will implement prior authorization requirements on selected services that are in addition to the services currently required for prior authorization for commercial plans.

Services selected for prior authorization have been carefully selected and are known to be less than other Utah Medicare Advantage and Managed Medicaid plans. They have been selected for one or more of the following reasons:

- Current prior authorization by Utah Medicaid
- Coverage criteria have been established by Utah Medicaid and/or standard Medicare
- The service is already subject to SelectHealth review process upon a claim submission
- Benefit limits are not in place for Medicare or Medicaid
- Services are not covered for commercial but are required for coverage by Medicare or Medicaid
- National or local utilization trends have been reviewed and found to be excessive

Note that appeal rights remain for all coverage determinations!

Link for a complete list of medical services that will require prior authorization for SelectHealth Medicare and Medicaid:

<https://physician.intermountain.net/selecthealth/FEHB/Documents/PACompleteList.pdf>

Link to list of pharmacy services that will require prior authorization for SelectHealth Medicare:

<http://www.selecthealthadvantage.org/benefits/formulary.aspx>

Link to list of pharmacy services that will require prior authorization for SelectHealth Medicaid:

<http://selecthealth.org/plans/government/medicaid/Pages/home.aspx>