April 27, 2020

Updated CMS Guidance Available for Plan Issuers on Prior Authorization

DATE: April 21, 2020 (rev. from March 10, 2020)

After pressure from numerous provider groups, the federal government is now urging Medicare Advantage plans to forgo prior authorization requirements during the COVID-19 pandemic.

In guidance issued April 21, the Centers for Medicare and Medicaid Services said it’s received “a number of” such requests—related to prior authorization and other topics—and is urging all MA plans and Part D sponsors to consider temporarily abandoning or easing restrictions. Doing so would “facilitate access to services with less burden on beneficiaries, plans and providers,” CMS advised. “We encourage plans to consider utilizing this flexibility,” the agency added later.

The American College of Cardiology, American College of Surgeons and other major healthcare societies previously requested prior authorization relief from CMS in a late March letter. The Medical Group Management Association said earlier this year that it was “alarmed” by the skyrocketing costs for practices to follow insurers’ prior authorization policies. CMS chief Seema Verma had indicated in February that her agency hopes to simplify these requirements in 2020.