

Prior Authorization Explained: What Patients Need to Know

Prior authorization is a time-consuming process that can delay or deny treatment and impact patient health outcomes. Explore the answers to frequently asked questions that you and your loved ones may have about the prior authorization process.



Question: What is prior authorization?

Answer: Prior authorization is a health plan policy that requires your physician to seek approval from your health plan before you can access a service or prescription medication. This process applies to patients of all ages, from infants to seniors.

Question: Why do health insurance companies require prior authorization?

Answer: Insurers use prior authorization as a tactic to control health care spending. Before you can access treatment, health plans determine if the care is medically necessary—often using proprietary criteria that they themselves have developed—and if it will be covered.

Question: Why are patients and physicians concerned about prior authorization?

Answer: Prior authorization is an overused process that interferes with patients receiving timely care, or even any care at all. These treatment delays and denials can lead to worse health outcomes. Nearly [1 in 4 physicians](#) report that prior authorization has led to a serious adverse event, such as hospitalization, disability, or even death, for a patient in their care.

Question: How does prior authorization impact your ability to receive the care ordered by your physician?

Answer: [94% of physicians](#) say that prior authorization delays access to medically necessary care for their patients. Even after a long wait, sometimes the request is denied. In fact, [1 in 4 physicians](#) report that prior authorizations are **often** or **always** denied.

Question: Who is responsible for submitting prior authorization requests?

Answer: If a treatment or medication requires prior authorization, your care team must complete the request. On average, physicians and their staff spend [12 hours per week](#) completing prior authorizations, which involves navigating phone calls, faxes, and electronic submissions with health plans. These tasks all take valuable time away from caring for patients.

Question: What happens if prior authorization is not approved?

Answer: When prior authorization is denied, it can lead to patients trying a treatment plan or prescription that isn't the best for them or paying out of pocket for their care instead of using the insurance benefits they've already paid for in premiums. Alternatively, some patients completely abandon treatment, which can lead to devastating results like hospitalization or even death.

Question: Who decides if a prior authorization should be denied?

Answer: Health insurers decide if prior authorizations should be approved or denied. Unfortunately, many prior authorization requests are denied by insurer representatives who do not have the appropriate medical expertise. Some insurers outsource medical reviews for the most specialized and expensive procedures to companies that use unfair algorithms to maintain a certain level of denials each year.

Question: Can prior authorization denials be appealed?

Answer: Yes, if an authorization request is denied, you can appeal the decision. Take action by:

- ▶ Fighting to receive coverage for medically necessary care by working with your physician to submit all the documentation necessary to file an appeal.
- ▶ [Talking](#) to your employer's human resources department about your benefits, both before selecting a plan and afterwards, if you have questions, concerns, or problems accessing treatment.
- ▶ Sharing your story on social media to raise awareness about the impact of prior authorization.

Question: Why do some patients and physicians choose not to appeal denials, and why is it important not to give up?

Answer: Navigating the prior authorization process can be challenging for both patients and physicians. Physicians sometimes do not appeal a prior authorization denial because they do not believe the appeal will be successful based on past experience, patient care cannot wait for the health plan to approve the prior authorization, or there is insufficient practice staff time or resources.

However, it is important for physicians and patients not to give up and to continue fighting for medically necessary care. When patients and employers pay insurance premiums, health plans should meet **their corresponding obligation** to cover treatment. In addition, the [overwhelming majority of denials are overturned on appeal](#). When patients and physicians team up, they can successfully advocate against health plans' unfair, inappropriate denials that serve as barriers to care.

Question: How often does a prior authorization delay or denial lead to a patient paying out of pocket for medication?

Answer: [79% of physicians](#) report that the prior authorization process **at least sometimes** requires patients to pay out of pocket. This means that patients aren't using their insurance benefits that they've **already paid for** via premiums.

Question: What is the American Medical Association (AMA) doing to fix prior authorization?

Answer: The AMA is working tirelessly to fix the broken prior authorization system by challenging insurance companies to eliminate care delays, patient harms and practice hassles. The AMA also is mobilizing patient and physician advocates to call on state and federal policymakers to take legislative and regulatory action to ensure that everyone can access timely, necessary care.

Question: How can I get involved to #FixPriorAuth?

Answer: You can get involved by:

- ▶ [Contacting](#) your members of Congress and calling on them to take concerted action to [#FixPriorAuth](#).
- ▶ [Sharing](#) your prior authorization story to shine a light on the flawed system and inspire policymakers to act.
- ▶ [Adding](#) your support for state prior authorization bills that may impact you or your loved ones.
- ▶ Spreading the word on social media and tagging #FixPriorAuth in your posts.

AMA  | **FixPriorAuth**

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More tips, information and resources about prior authorization:

- [2023 AMA Prior Authorization Physician Survey](#)
- [2024 Prior Authorization State Law Chart](#)
- [Prior Authorization is a Barrier to Care](#)
- [Patients and Physicians Speak Out](#)
- [Take Action to Fix Prior Auth](#)
- [Examining Prior Authorization in Health Insurance](#)
- [Prior Authorization Employer FAQ](#)
- [Over 80% of Prior Authorization Appeals Succeed. Why aren't there more?](#)