Medical Benefit Prior Authorization Case Study

$230M Medical Benefit Drug Spend Reviewed; 6% Annual Cost Savings Identified

SITUATION

A large East Coast managed care organization spends nearly $230M annually on drugs under the medical benefit. The programs in place did not adequately control specialty utilization or mitigate the overlap between Rx and medical benefit coverage.

APPROACH

AArete analyzed medical drug claims to design and implement a targeted Prior Authorization Strategy. AArete reviewed and developed clinical policies for each drugs' PA requirements and considered all aspects of the PA process, including system configuration, work processes and workload.

RESULTS

AArete implemented a program that resulted in a ~6% annual cost savings impact and provided management support while the PA process was transitioned to the pharmacy department. AArete also provided recommendations on drugs to add or remove from the PA list and UM policies for biosimilars.