Impact of Prior Authorization on Medicare Advantage Enrollees with Social Risk Factors

Overview

Blue Cross and Blue Shield of Kansas (BCBSKS) researched and performed statistical analysis on the prior authorizations that are performed on the Medicare Advantage (MA) population. The purpose was to determine if there was any statistically significant evidence showing a difference in prior authorization outcomes between enrollees with social risk factors compared to enrollees without social risk factors.

Methodology

The methodology used, based on the data provided, was non-parametric tests. These two tests were Chi-Squared contingency tables and Fisher's Exact test (for low denial counts <5). The significance level for these tests was based on an alpha of > .05 for evidence. The data was provided from UST HealthProof, the vendor that performs prior authorization for inpatient admissions for BCBSKS, from their records of prior authorizations for the calendar year of 2024 for BCBSKS Medicare Advantage members.

Social risk factor is defined as eligibility based on disability, Low-Income Subsidy (LIS) or both. Prior authorization outcomes are defined as approvals and denials, including appeals, expedited, extensions and average and median time frames.

Results

Key Result: There were no identified statistically significant differences in prior authorization outcomes between enrollees with social risk factors compared to enrollees without social risk factors.

The results of the Chi-Squared test showed a test statistic of 5.95 and a p-value of .43. With 6 degrees of freedom (based on the number of categories observed in terms of members and approvals/denials/voids) the critical value of 12.592 was not reached by the test statistic. Combined with the p-value being greater than .05, these results show no statistical evidence of a difference in the approval or denial rates of any MA members.

A Fisher's test was used to further identify in differences in outcomes, because there were a low amount of denials (< 5). Results for all 3 categories of prior authorization outcomes (approved, denied and voided) showed no significant differences.

Conclusion

For data from the year 2024, there is no evidence of a difference in outcomes in the prior authorization outcomes for MA members based on disability or low-income subsidy status or both versus members without social risk factors.

Table 1: Chi-Squared Results

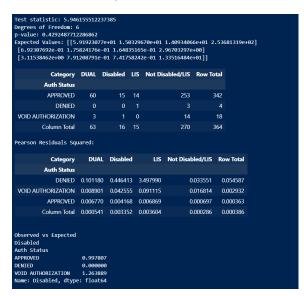


Table 2: Fisher's Exact Test Results

