

Medicare health equity analysis report



Background

Blue Shield of California wants to make sure everyone gets the care they need on time. This report looks at how we can help people who have disabilities or trouble paying for health care. They often face problems when trying to get the care they need – especially when waiting for approval. This can make their health worse. By finding out where these problems happen, we can improve our process and help more people.

Highlights from care approval analysis

We checked how we are doing in approving care for people with social risks like financial hardship or disability.

- **Medical prior authorizations:** Approval rates range from 96% to 100%. Denial rates range from 0% to 4%. Only 0.1% of decisions are delayed.
- **Medical pharmacy prior authorizations:** Approval rates range from 94% to 100%. Denial rates range from 0% to 6%.
- **Pharmacy prior authorizations:** Approval rates range from 70% to 76%. Denial rates range from 24% to 30%.
- **Prior authorization denial overturned after appeal:** When members appeal a denial, overturn rates range from 29% to 40%.

Methods for health equity data analysis and reporting

We use data from the previous year to publish this report. We look at care approval requests for all Medicare businesses. Then we compare them to social risk factors. These include low-income subsidy, dual eligibility for Medicare and Medicaid, or having a disability. We only consider cases with an outcome status of approved, denied, or partially denied.

Health equity analysis data

<div> <div>Care approval process (prior authorization) metric</div> <div>TAT is turnaround time</div> <div>PA is prior authorization</div> </div>					<div>Medicare members without additional assistance needs</div> <div>Members who do not have any identified social risk factors such as financial hardship, disability status, or both.</div>
	Medicare members with financial assistance	Medicare members with a disability	Medicare members with financial assistance & a disability		
Medicare medical	Standard				
	Approvals	99%	99%	NO DATA	97%
	Denials	1%	1%	NO DATA	3%
	TAT – Average # calendar days	1.90	3.00	NO DATA	3.30
	TAT – Median # calendar days	0.00	0.00	NO DATA	0.00
	Expedited				
	Approvals	96%	100%	NO DATA	95%
	Denials	4%	0%	NO DATA	5%
	TAT – Average # calendar days	0.60	1.00	NO DATA	0.80
	TAT – Median # calendar days	0.00	1.00	NO DATA	1.00
	Deferral				
	Deferral	0.10%	0%	NO DATA	0.90%
	% Approved, after extension	85.70%	0%	NO DATA	72.40%
Pharmacy	Standard				
	Approvals	70%	72%	75%	69%
	Denials	30%	28%	25%	31%
	TAT – Average # hours	26.90	25.00	49.50	26.30
	TAT – Median # hours	22.00	20.00	53.50	21.00
	All prior authorizations % (regardless of status/decision)	23.80%	2.70%	0.00%	73.40%
	Expedited				
	Approvals	74%	76%	50%	74%
	Denials	26%	24%	50%	26%
	TAT – Average # hours	5.40	4.90	8.50	4.90
	TAT – Median # hours	1.00	1.00	850	1.00
	All prior authorizations % (regardless of status/decision)	27.30%	2.30%	0.00%	70.30%

	Care approval process (prior authorization) metric TAT is turnaround time PA is prior authorization	Medicare members with financial assistance	Medicare members with a disability	Medicare members with financial assistance & a disability	Medicare members without additional assistance needs Members who do not have any identified social risk factors such as financial hardship, disability status, or both.
Medical pharmacy	Standard				
	Approvals	98%	100%	NO DATA	96%
	Denials	2%	0%	NO DATA	4%
	TAT – Average # hours	26.00	24.10	NO DATA	25.90
	TAT – Median # hours	23.00	24.00	NO DATA	24.00
	All prior authorizations % (regardless of status/decision)	10.30%	0.50%	NO DATA	89.30%
	Expedited				
	Approvals	94%	100%	NO DATA	94%
	Denials	6%	0%	NO DATA	6%
	TAT – Average # hours	10.40	19.00	NO DATA	10.90
	TAT – Median # hours	7.00	19.00	NO DATA	7.00
	All prior authorizations % (regardless of status/decision)	17.30%	0.10%	NO DATA	82.60%
Appeals	Standard				
	Denials – Overturned by appeal	31%	29%	100%	36%
	Expedited				
	Denials – Overturned by appeal	40%	33%	NO DATA	44%

Metrics glossary

- **Report data with zero value:** We have rounded to 0. It does not imply no data exists.
- **Results with “NO DATA” value:** No data meets the reporting criteria.
- **Social risk factor: Financial hardship:** Members who received low-income subsidy or were eligible for both Medicare and Medicaid.
- **Social risk factor: Disability:** Members who have a disability, per CMS.
- Blue Shield complies with care approval requests. This includes for medical and prescription services and appeals for overturning denials. Care approval requests can be:
 - **Standard**
 - **Expedited**
- **Turnaround time (TAT):** The time between receiving a care approval request and deciding on it.
- **Deferred:** Requests for an extended time. We will review further and make a final decision.

Metrics/Data categories

- **Medicare medical:** Approval, denial, and deferral of medical care approval requests.
- **Pharmacy:** Approval and denial of prescription approval requests.
- **Medical pharmacy:** Approval and denial of prescription approval requests by hospitals.
- **Appeals:** Denials overturned after/by an appeal.
- **All prior authorizations %:** All valid prior authorization requests from a population group with a social risk factor over the population groups without the same social risk factor.

Citations

- Rule document number 2024-07105 (89 FR 30448) published by CMS on 4/23/2024 - <https://www.federalregister.gov/d/2024-07105/p-1172> & <https://www.federalregister.gov/d/2024-07105/p-1181> & <https://www.federalregister.gov/d/2024-07105/p-3366>
- 42 CFR 422.137(c)(5) [https://www.ecfr.gov/current/title-42/part-422/section-422.137#p-422.137\(c\)\(5\)](https://www.ecfr.gov/current/title-42/part-422/section-422.137#p-422.137(c)(5))
- 42 CFR 422.137(d)(6) [https://www.ecfr.gov/current/title-42/part-422/section-422.137#p-422.137\(d\)\(6\)](https://www.ecfr.gov/current/title-42/part-422/section-422.137#p-422.137(d)(6))
- 42 CFR 422.137(d)(7) [https://www.ecfr.gov/current/title-42/part-422/section-422.137#p-422.137\(d\)\(7\)](https://www.ecfr.gov/current/title-42/part-422/section-422.137#p-422.137(d)(7))