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Subject: ***Authorizations – Pain Management***
   Report 2023-14C

Audit & Management Advisory Services (AMAS) has completed a review of Authorizations at UC San Diego Health as part of the approved audit plan for Fiscal Year 2022-23. The review entailed limited procedures for certain areas who manage authorizations within their unit. This report summarizes the results of our review for authorization processes performed in Pain Management.

Background

Authorization, also known as precertification, is a process of reviewing certain medical, surgical, or behavioral health services to ensure medical necessity and appropriateness of care prior to services being rendered, and to determine whether the service being requested is a covered benefit under the patient's benefit plan. Authorization is one of the key components of the Financial Clearance process (Financial Clearance) outlined in the UCSDH Patient Financial Policy (UCSD Health Policy (UCSDHP) 750.1). Authorizations are only required for certain services, and may be obtained prior to service, during an admission, or retroactively for services rendered.

Most authorizations functions at UCSDH have been centralized within the Patient Access Financial Clearance Center (FCC) however Pain Management was one of the few units that is a decentralized and manages the authorization process independently. The Patient Financial Policy indicates "While the authorization function is not always centralized, it is the expectation that securing of the authorization is standardized across UC San Diego Health."

The accurate recording of patient, payor and authorization information is key so that payors may validate coverage status. An authorization for services is typically generated from a physician's order. Decentralized departments primarily process authorizations through WQs assigned to their specialties / locations. Referrals can be accessed through the WQ lists that can be assigned specifically to individual authorization coordinators. WQs continuously evaluate referral records and pull in qualifying referrals. WQs are used for tracking, acquiring and accessing records to create or complete related functions. The WQ is where the authorization information for the referral and/or note to the referral can be edited. If the patient coverage is incorrect, authorization requirements and payor authorizations will also be incorrect. Any changes to this information will direct the referral back to the WQ as a new referral and the whole process will start over.

The authorization process is connected to other functions, such as scheduling, so each component affects the overall workflow. User knowledge and an understanding of the relationship between each record linked, and the importance of the information entered in the data fields, are key to ensuring records flow to the intended recipient for the next part of or completing the process. Training and communication are ongoing necessities.

Audit Objective, Scope and Procedures

The objective of our review was to evaluate whether internal controls for authorizations for UCSDH services and procedures provide reasonable assurance that operations are effective, activities are compliant with relevant policies and procedures, and to identify the overall impact on UCSDH financial results. In order to achieve our objective, we performed the following specific to Pain Management:

- Reviewed the following:
  - Authorization Referral Guidelines, department specific standard processes for authorizations and Epic Tip Sheets;
  - Patient Financial Policy (UCSDHP) 750.1;
  - Productivity measures and monitoring plan and actions; and
  - Quality control process;
- Interviewed the Pain Procedure Suite & Pain Clinic Nurse Manager and Clinic Lead;
- Evaluated:
  - All five of the Pain Management WQs to evaluate volume and number of days a Referral or Authorization/Certification stays in the WQ; and
  - A sample of five orders from Pain Management primary WQ.

A separate report, *Authorizations #2023-14A*, will be issued for the detailed evaluation of internal controls for authorization of UCSDH services and procedures managed and processed by the FCC/Central Authorization, and another separate report, *Authorizations – Ophthalmology #2023-14B,* will be issued for the evaluation of the Ophthalmology authorization process.

Conclusion

Based on our review, we concluded that internal controls for authorizations for UCSDH Pain Management services and procedures provide reasonable assurance that operations are effective, activities are compliant with relevant policies and procedures. However, we also noted some opportunity for improvement in efficiency in securing authorizations and WQ management.

We also noted that Pain Management would benefit from participation in the Payer Authorization Steering Committee, recently formed by Revenue Cycle. This committee will advise and recommend UCSDH systemwide goals, vision and best practices for authorizations across UCSDH. This committee will include representatives from centralized and decentralized departments and is expected to begin meeting in June 2023. Participation on this committee by Pain Management will further promote compliance with policy which requires standard authorization processes These opportunities for improvement are discussed in the balance of this report.

Revenue Cycle is also in process of further developing reports for Key Performance Indicators and Quality Control/Performance Management, which could also be used by decentralized areas for improved oversight of authorization processes. Examples of such reports include denial or lag KPI reports. and a report to monitor first priority cases and staff productivity.

Observations Requiring Management Action

A.   Efficiency in Securing Authorizations and WQ Management

During our interviews with Pain Management we noted opportunity for improvement related to WQ management, accurate order entry, and lack of staff resources.

Pain Management is working on refining WQs and streamlining the workflow process to reduce the number of accounts hitting the WQs. With these improvements the goal is to submit all procedure authorizations in five days.

Pain Management is also currently working on training providers and their staff on how to document orders and working on improving order sets within Epic. Orders must to be put in correctly from the beginning for an efficient workflow. The UCSD Rapid Process Improvement Workshop (RPIW) quality improvement initiative led by the UCSD Transformational Healthcare team helped to streamline some processes. In addition, for the past year, Pain Management and a UCSD Program Analyst from Perioperative services have been working on updating the order sets built in Epic. Order sets should be cascading incorporating the standard workflow that all authorization coordinators agree with. Order sets automatically select the correct procedure codes so that an encounter flows efficiently through the system without delay, mitigating the ongoing impact on WQ volume and improving the effectiveness of authorization staff.

In addition, a significant current issue is the large volume of orders and lack of resources which has made it difficult to keep up with the volume of referrals. In 2022, there were 11,864 orders and 9,427 procedures performed which primarily needed authorizations or needed to be documented that no authorization was needed. There are currently seven WQs[1] utilized for Pain Management referrals including individual WQs for different services such as procedures, surgeries, pain pumps and Qutenza[2], clinic appointments without authorizations, referrals and an old WQ, some requiring cleanup and/or removal. Management is requesting another authorization coordinator and two case managers. There are not currently any case managers in the department, but the patient base and volume of procedures is rapidly expanding.

We also noted an old WQ (#1420) where the orders/referrals entered by the providers were going to another specialty such as Orthopedics and Neurosurgery. Some of these orders are visible in a different WQ, but some are not visible at all, so management is currently working with Epic to rectify this situation. There were 858 orders in that account when we reviewed it in February 2023.

B. Payer Authorization Steering Committee

FCC and UCSDH Revenue Cycle Analytics & Continuous Improvement have recently established the Payer Authorization Steering Committee which could be an excellent resource for all authorization processing areas. This committee is expected to begin meeting in June 2023 with authority over authorization processes, including:

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[1] The specific WQs are #2328 (procedures), (#2302) surgeries, #15599 (pain pumps and Qutenza), #1982 (clinic appointments without authorizations – requires cleanup), #1420 (external referrals – requires cleanup), #1471 (internal referrals) and #1925 (old WQ requiring removal).

[2] Qutenza is a prescription drug for the treatment of neuropathic pain associated with postherpetic neuralgia and for neuropathic pain associated with diabetic peripheral neuropathy of the feet.

- Defining UCSDH best practices for authorization workflows;
- Identifying resources and defining projects to implement best practices;
- Approving exceptions to best practice;
- Creating KPI target recommendations to the executive board;
- Approving plans to implement systems and vendors related to authorizations; and
- Creating, publishing, and communicating policies related to authorizations.

Pain Management participation in the Steering Committee can help ensure that processes are performed in a standardized manner, as required by policy. The best practices and resources provided by this group can also help promote timeliness and productivity for the Pain Management authorization process.

Management Action Plans:

Pain Management will:

1. Continue to refine WQs and working with Epic to research ways to change and optimize the order set in Epic, and correct the issue with WQ 1420 not showing all orders.

2. Continue to identify additional resources including the recruitment of another authorization coordinator and two case managers that will assist with quality assurance and monitoring priority cases.

3. Fully participate in the UCSDH Revenue Cycle Payer Authorization Steering Committee which will assist in referral optimization and standardization of processes, training and denial and lag-based reporting management. As part of this process, FCC management and Revenue Cycle leadership will continue to provide guidance and best practices for all departments to implement.

Audit & Management Advisory Services appreciates the cooperation and assistance provided during the review.   The findings included in this report will be added to our follow-up system. We will contact you at the appropriate time to evaluate the status of the management action plans.

UC policy requires that all draft audit reports be destroyed after the final report is issued.

If you have any questions regarding this report, please call me at 534-1191.

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