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ISASS releases results of Surgical Preauthorization Survey

Aurora, III.— May 13, 2016 – The International Society for the Advancement of Spine Surgery (ISASS) recently released the results of a surgical preauthorization survey of its membership conducted by Pierce Nunley, MD, John Small, MD, Kelly Frank, MS, and Marcus Stone, PhD. Nunley et al. presented the results of the survey at the ISASS annual meeting held April 6-8 in Las Vegas.

"I know I have experienced increased insurer pre-authorization delays and denials in my own practice and frequently hear stories from my colleagues on their difficulty navigating payer requirements," said Dr. Nunley. "We knew we needed to collect data in order to really see what is going on in practices across the country."

In their paper, "Spine Surgeons' Perceptions of the Incidence and Impact of Third Party Payers' Delay or Denial of Coverage in the Pre-Authorization of Surgical Procedures and Subsequent Payments," Nunley et al. report spine surgeons' assessments of the magnitude and impact of the inefficiencies in the current surgeon-payer relationship. Data was gathered from a 14-question survey administered to the ISASS membership in the fall of 2015. 115 spine surgeons (neurological and orthopedic surgeons) responded to the survey. Annual case volume of respondents ranged from 50 to 700, with a mean of 300 cases per year.

Surgeons reported 24.6 percent of their cases are denied in the pre-authorization process, with 58.5 percent of denials occurring ≤ 3 days prior to the scheduled surgery. Surgeons also reported that 72.7 percent of denied cases are for lumbar spine surgery, 21.4 percent are for cervical spine surgery and 6.0 percent for other spine surgery.

"Patients rearrange their normal daily life to schedule surgery; they take time off work, their families take time off work, they rearrange extracurricular activities and child care," said Dr. Small. "Insurance denials issued so close to the scheduled surgery date are hugely disruptive to patients and their care team. Patients continue to suffer with pain and decreased mobility while lengthy appeals processes unfold with their insurer."

In addition to the direct negative impact to patients, these denials also have a real impact on the workflow in surgeons' practices. Nunley et al. found that of the 19 percent of available operating room time that goes unfilled, 84.3 percent of the unfilled time is due to insurance denial. Additionally, despite pre-authorizations, 24.9 percent of cases yield reduced reimbursements and 9.4 percent result in no payment by the insurance company. This results in an overall total potential lost revenue to practices of \$191,250 per year (300 cases per year with a reported 25 percent denial rate) calculated using the Medicare reimbursement for instrumented and non-instrumented cases.

"The data is clear that surgeons' assessments of insurance pre-authorization delays and denials have a significant negative impact on patient care, surgical scheduling and the efficient utilization of operating room block time," said Stone. "This is the first in a series of studies necessary to understand the true impact of insurer delays and denials on patients, clinics, hospitals, and surgeons."

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