

RESOLUTION 2011 - r

SUBMITTED TO: Michigan Osteopathic Association House of Delegates
SUBMITTED BY: Oakland County Osteopathic Medical Association
RECOMMENDATION: Approved - *Professional Affairs Committee*
SUBJECT: Payment Denial Due to Failure to Obtain Prior Authorization

- 1 **Whereas**, third party payers have increasingly denied payment retrospectively for
2 healthcare services provided to patients under the guise of “failure to obtain prior
3 authorization”; and
- 4 **Whereas**, the need for medical services frequently arises urgently while prior
5 authorizations often requires two to fourteen days for approval; and
- 6 **Whereas**, these services are medically necessary regardless of authorization status;
7 and
- 8 **Whereas**, Health Plans may use this strategy to deny services regardless of medical
9 necessity; and
- 10 **Whereas**, Health Plans may use this strategy as a means to manage access to
11 medically necessary services and to deny legitimate health care benefit claims.
- 12 **Therefore, Be it Resolved**, that the Michigan Osteopathic Association (MOA) support
13 legislation and regulatory reform that prohibit benefit denial solely on the basis of “failure
14 to obtain prior authorization” for care provided in good faith by a physician. Medical
15 necessity and urgency of the services provided must be included in the decision making
16 process.