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States Utilize 1135 Waiver Authority to Ease Prior-Authorization for Medicaid

On March 13th, the White House declared a national emergency allowing government agencies to perform actions and authorize policies outside of regular protocol. The Centers for Medicare and Medicaid Services (CMS) immediately enacted 1135 waiver authority under the Social Security act, creating 'blanket waivers' to modify Medicare, Medicaid and CHIP requirements. Since the declaration, many states have been approved to implement waivers through CMS.

30 of the 34 states with active 1135 waivers have opted to suspend Medicaid fee-for-service prior authorization requirements during the health emergency with a subset (24 States) also requiring fee-for-service providers to extend pre-existing authorizations until the emergency declaration is terminated.

The states with suspended Medicaid prior authorization requirements are: AZ, CA, CO, CT, DE, FL, HI, ID, IL, IN, KS, KY, MA, MD, MN, MO, MS, NC, ND, NH, NJ, NM, NY, OK, OR, PA, RI, VA, WA, WY.

In addition to utilizing 1135 waivers, many states are issuing executive orders and requests seeking to align private insurers with updated policies from CMS. Generally, these relate to waiving prior authorizations and expanding coverage for COVID-19 testing and treatment. But some states are asking commercial payers to go a step beyond. California has asked private insurance providers to waive prior authorization if a provider recommends an alternative drug for a patient due to a shortage, in addition to waiving prior authorization for services related to COVID-19. Louisiana has asked private insurers to take action to ease network, referral, and prior authorization requirements during the health emergency. Additionally, Alaska is advising insurers that they should suspend preauthorization review for inpatient and outpatient services for the duration of the COVID-19 pandemic.

As the state and national response to COVID-19 continues to develop on a daily basis, there are sure to be further developments to the healthcare landscape to help providers during the pandemic. [CLICK HERE](#) to for the latest updates on state waiver authority. For a list of executive orders by state, [CLICK HERE](#).

As always, ADVOCATE will keep you up to date on this and all issues impacting medical groups as they become available.