EVERYTHING YOU NEED TO KNOW ABOUT

CMS' Interoperability and Prior Authorization Final Rule

NATIONAL ASSOCIATION OF
Community Health Centers

The Centers for Medicare & Medicaid Services (CMS) released a final rule to **reduce patient, provider, and payer burden by streamlining prior authorization processes and moving the industry toward electronic prior authorization.**

Health center partners should already have access (as of December 31, 2022) to Health Level 7® (HL7®) Fast Healthcare Interoperability Resources® (FHIR®) application programming interfaces (APIs). While we know that all health centers may not have full access to this functionality still today, NACHC seeks to support the advancement of health centers in understanding, obtaining access to, and utilizing FHIR APIs to streamline existing processes that have traditionally been a significant low-value effort from an administrative standpoint.

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4 THINGS TO KNOW

1

THE CMS RULE REQUIRES IMPACTED PAYERS TO:

- Maintain a Patient Access API;
- Establish a Provider Access API; and
- Establish a Prior Authorization API.

2

IMPACTED PAYERS INCLUDE:

- Medicare Advantage (MA) Organizations
- State Medicaid and Children's Health Insurance Program (CHIP) agencies
- Medicaid Managed Care Plans and CHIP Managed Care Entities
- Qualified Health Plan (QHP) issuers on the Federally-facilitated Exchanges (FFEs)

3

THESE STANDARDS APPLY TO IN-NETWORK PROVIDERS, INCLUDING:

- Federally Qualified Health Centers (FQHCs) enrolled with the state as Medicaid or CHIP providers.

4

NACHC SEEKS TO MAKE HEALTH CENTERS THE PARTNER OF CHOICE WITH PAYERS – BENEFITS TO HEALTH CENTERS SHOULD THEY IMPLEMENT USE OF THE APIs INCLUDE:

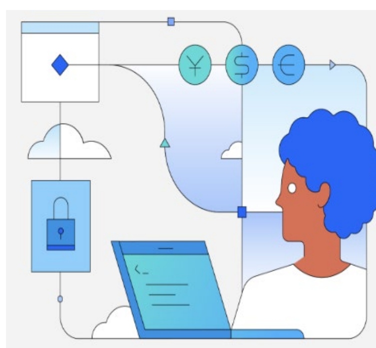
1. Patients can access information about their prior authorization requests and decisions – improving access to care.
2. In-network providers can access claims and encounter data – reducing barriers.
3. Providers can view items and services requiring prior authorization, specific documentation requirements, and create and receive decisions for prior authorization requests – automating administrative activities.

ABOUT THE PROGRAMS AND VENDOR COMPLIANCE

PATIENT ACCESS API

Impacted Payers must:

- Add information about prior authorizations (excluding prescription drugs). Effective January 1, 2027.
- Annually report metrics in aggregated, de-identified data about patient use of the Patient Access API. Effective January 1, 2026.



PROVIDER ACCESS API

- Beginning January 1, 2027, Impacted Payers must:
  - Implement and maintain a Provider Access API to share patient data with in-network providers with whom the patient has a treatment relationship.
  - Make available individual claims specified prior authorization information, and encounter data in a content standard adopted by ONC (USCDI).
  - Develop an attribution process to associate patients with their providers to ensure that a payer only sends data to providers for patients with whom they have a treatment relationship.
  - Maintain a process for patients to opt out of having their health information available and shared under the Provider Access API requirements.
  - Provide plain language information to patients about the benefits of API data exchange with their providers and their ability to opt out.

PRIOR AUTHORIZATION API

Beginning January 1, 2027, Impacted Payers must Implement and maintain a Prior Authorization API that is:

- Populated with its list of covered items and services (excluding prescription drugs);
- Can identify documentation requirements for prior authorization approval; and
- Supports a prior authorization request and response.
- Must also provide specific information about prior authorization denials.

IMPROVING PRIOR AUTHORIZATION PROCESSES

- Impacted payers (excluding QHP issuers on the FFEs) must send prior authorization decisions within 72 hours for expedited requests and seven calendar days for standard requests.
- Beginning January 1, 2026, impacted payers must publicly report certain prior authorization metrics annually by posting them on their website – initial set of metrics must be reported by March 31, 2026.

TECHNICAL STANDARDS AND IMPLEMENTATION SUPPORT

- Technical Standards: FHIR, SMART IG/OAuth 2.0, OpenID Connect, USCDI
- Implementation Support for APIs: CARIN for Blue Button IG, Pdex IG, Pdex Formulary IG, PDex Plan Net IG, US Core IG, CRD IG, DTR IG, PAS IG, PCDE IG, Bulk Data Access IG.

For additional resources click HERE!

FOR QUESTIONS, PLEASE REACH OUT TO THE REGULATORY AFFAIRS TEAM AT REGULATORYAFFAIRS@NACHC.ORG.