

Utilization Review & Addiction Therapy Modalities:

**Improving authorization activity and
increasing length of patient stay**



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CASE SUMMARY

Utilization Review (UR), or Utilization Management, is a critical function to managing the quality and cost of care at any healthcare facility. Besides being a legal requirement for participation in federal healthcare programs (per 42 CFR § 482.30 – Condition of participation: Utilization review), it is crucial for preventing claim denials, keeping track of coverage rules and regulations, and preventing the misuse or overutilization of services.

Utilization management in behavioral health contexts is particularly important. Consider the opioid epidemic, which brings attention to addiction therapies and reimbursement. Despite their proven effectiveness, pharmacotherapy solutions for addiction treatment have been slow to adopt. ^[i] Access is often limited by prior authorizations and annual limits, ^[ii] and although the trend has been moving towards greater acceptance, insurance providers have more they could be doing to improve access. ^[iii] In addition to medication, the amount of time that patients stay at a facility also has an impact on therapeutic outcomes.

^[iv] This places a great deal of pressure on providers to optimize and refine their UR processes to improve authorization activity and increase length of stay.

Hiring a revenue cycle management company can make a crucial difference in reimbursement rates. SimiTree, a leading revenue cycle management company, increases revenue to providers by extending average length of stay coverage, monitoring utilization rates for improvement opportunities, and holding providers accountable to industry and managed care standards. Centralizing the UR function with a company like SimiTree makes it simpler to apply the same standards across every clinic in a healthcare network, frees up crucial resources (such as clinical case managers), and decreases denial rates. In addition to boosting the bottom line, partnering with an RCM company also helps providers to continue pursuing their mission, vision, and values with fewer barriers, ensuring that the people who need support for concerns like addiction have access to the resources they need.

In one case, SimiTree was hired by an addiction treatment provider with clinics in the Midwest and Southern United States. Charge data provided by both the provider and SimiTree reveals that, in SimiTree's first couple of months managing the provider's revenue cycle, they were able to increase the average utilization per patient by 18% year over year across all clinics. SimiTree also demonstrated a combined 36% increase in concurrent and pre-certification authorizations per patient, as well as a combined increase in authorized days per patient of 33%. This demonstrates that an RCM company is not only capable of maintaining providers' previous UR activity, but is also capable of demonstrating immediate performance enhancements that might not be possible with an in-house UR team.

+36%

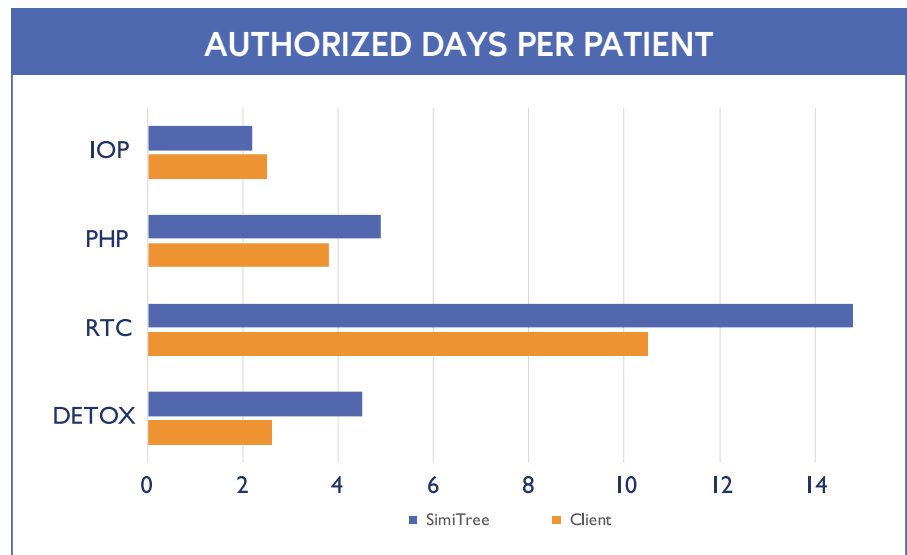
Concurrent and
pre-certification
authorizations per patient

+33%

Authorized days
per patient

Below is a breakdown of the average number of authorized days per patient by level of care. SimiTree was particularly effective in increasing the number of covered days for patients in residential treatment centers, as well as detox programs.

The goal of a revenue cycle management company is to provide value as well as peace of mind.



^[1] Roman, Paul M., Amanda J. Abraham, and Hannah K. Knudsen. 2011. "Using medication-assisted treatment for substance use disorders: Evidence of barriers and facilitators of implementation." *Addictive Behaviors*, 36: 584-589.

^[2] Andrews, Christina M., Amanda J. Abraham, Colleen M. Grogan, Melissa A. Westlake, Harold A. Pollack, and Peter D. Friedmann. 2019. "Impact of Medicaid Restrictions on Availability of Buprenorphine in Addiction Treatment Programs." *AJPH* Policy, 109(3): 434-436.

^[3] Reif, Sharon, Canstance M. Horgan, Dominic Hodgkin, Ann-Marie Matteucci, Timothy B. Creedon, and Maureen T. Stewart. 2016. "Access to Addiction Pharmacotherapy in Private Health Plans." *Journal of Substance Abuse Treatment*, 66: 23-29.

^[4] Brewer, Devon D., Richard F. Catalano, Kevin Haggerty, Randy R. Gainey, and Charles B. Fleming. 1998. "A meta-analysis of predictors of continued drug use during and after treatment for opiate addiction." *Addiction*, 93(1), 73-92.

