

ANTHEM STARTS PRE-AUTHORIZATION PROGRAM FOR GENETIC TESTS

Anthem Inc. (Indianapolis, IN) has begun requiring in-network physicians to obtain pre-authorization for certain genetic tests effective July 1. The program is being managed by AIM Specialty Health (Chicago, IL), a benefit management company owned by Anthem. The program initially applies to roughly 4.5 million of Anthem's fully-insured members in 12 states (Virginia and California are excluded). Among the tests requiring pre-authorization are prenatal genetic testing, pharmacogenomic tests linked with cancer drugs, genetic tests for hereditary cancer risk and genotyping for drug-metabolizer status.

The pre-authorization program does not apply to Anthem's BlueCard, Medicare Advantage or Medicaid plans. Also excluded are Anthem BCBS in Virginia and the company's California HMO plans.

However, the program is being expanded to include Anthem-administered self-funded health plans that choose to buy the AIM-managed genetic test program, effective as soon as January 1, 2018. The program is also being expanded to Anthem's six million Medicaid members in the fall. Ultimately, the program could be used to manage genetic test utilization for more than half of Anthem's total 41 million health plan members.

The program requires in-network physicians to use an online AIM portal when ordering some 45 different types of genetic tests. Physicians will also have the option of phoning for request approval. AIM will review each genetic test request against Anthem's medical policy criteria to determine coverage and/or if genetic counseling is necessary prior to completing the prior-authorization. AIM has contracted with InformedDNA (St. Petersburg, FL) to review genetic test requests and provide genetic counseling. AIM owns a stake in InformedDNA, whose other investors include MPM Capital Partners and Zaffre Investments, a wholly-owned subsidiary of Blue Cross Blue Shield of Massachusetts.

Anthem hopes that the AIM Genetic Testing Solution will:

1. Reduce use of inappropriate genetic tests.
2. Increase use of in-network labs.
3. Streamline the clinical review process so labs and members have reimbursement assurance.
4. Increase transparency for coverage.

In addition to Anthem's health plans, the AIM Genetic Testing Solution is being marketed to other payers as well. AIM says that another health plan in the Northeast will begin using its program in the fall.

Laboratory Economics asked AIM Specialty Health a few key questions. Here are their responses:

What happens if a lab performs a genetic test ordered by a physician that did not use the prior-authorization programs? Will the lab still get paid by Anthem if it was an uncovered test?

All testing is evaluated against medical policy. If a test is run without meeting the clinical criteria as outlined in the medical policy, the test will be denied either via the prior-authorization (PA) program or retrospectively if run without a PA. By utilizing the PA program, the non-coverage of tests already completed will be eliminated as the determination is made prior to the running of the test.

Currently, there are more than 7,000 unique genetic tests commercially available that range in price from a few hundred dollars to tens of thousands of dollars. Many of these tests meet the medical necessity criteria, but unfortunately many do not. It is important to know which tests are medically necessary not just from a patient care perspective but also from a fiscal responsibility perspective to keep benefits affordable for members.

Can the lab still bill the patient for an uncovered test?

The lab would not be able to charge Anthem health plan members unless it has obtained a waiver from the member for the specific test being performed in advance of the test being performed.

Will the list of tests in the program be expanded?

The program will expand as genetic tests expand and are added to medical policies.