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October 1, 2008, 8:25 am

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A Family Doctor Rails Against Insurance Pre-Authorization

Posted by Jacob Goldstein



Doctors want to do whatever they think is best for patients. Yet there's lots of evidence that shows doctors [don't always follow the best available evidence](#).

Doctors will tell you this is because no two patients are the same, so you can't always rely on existing studies. Often you have to follow your instinct. On the other hand [doctors who have a financial incentive](#) to perform a procedure will perform it more often than those who don't, suggesting that the patient's best interest isn't the sole motivator for all docs.

Insurance companies, for their part, have a financial incentive to keep costs down. So they sometimes require doctors to get authorization before prescribing certain drugs or doing certain procedures. This drives doctors and their patients up the wall.

In [his WSJ.com column](#) today, Ben Brewer writes of an arthritis patient he's been treating for 11 years. The man hasn't been helped by over-the-counter painkillers, and Brewer wants to prescribe Celebrex, a Pfizer pain drug that costs \$120 a month.

The insurance company wouldn't allow the prescription unless Brewer faxed them a form explaining why he thought it necessary. He wasn't pleased.

They want me to incur the overhead and frustration that comes with trying to prove to a non-doctor that I know my patient and what I'm talking about. They want to cut costs, and they don't really care about how it affects my patients or my practice. If they make the process hard enough, they hope I'll just give

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up.

The day the Celebrex prescription was denied, Brewer saw 28 patients. He didn't manage to find the time to get the prescription approved.

Talk insurance headaches: [Visit Brewer's forum.](#)

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such conduct is guided by the insatiable greed of the insurance carriers and their multi-million dollar salaried CEO's in concert with the pharmacy benefits managers (gestapo) and their overpaid CEO's. They are, in essence, practicing medicine without a license, but when one notes the corruption pervading all levels of our society, does anyone care any more?

Comment by dr. zhivago – October 1, 2008 at [8:36 am](#)

How much did that insurance CEO make last year? Uniteds made 1.7 BILLION in 2006 and a mere 740 million oin 2007, only had a 15% capital gains tax though.

Comment by Alex M. Aponte, M.D. – October 1, 2008 at [8:39 am](#)

William Osler, generally regarded as the father of modern medicine wrote, "If you listen carefully to the patient they will tell you the diagnosis." It's interesting to note that Dr. Osler was Canadian. One wonders what he would have thought of government interposing itself between doctor and patient.

To explore that question, the Center for Medicine in the Public Interest will host "Physician Disempowerment: A Transatlantic Malaise," a conference on how cost-based government-run health care results in physicians having less control over the practice of medicine — and the consequences thereof.

The event will take place from 9AM through 1PM on October 14 at the Newseum in Washington, DC.

The fact that this event is being held one day before the final presidential debate, where health care is slotted as a major focus, is not by accident.

Policy thought leaders and physicians from the US, Canada, Sweden, Switzerland, France, and Germany will discuss the issue of physician disempowerment — and what it means to both the practice of medicine and patient care.

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WSJ's Health Blog offers news and analysis on health and the business of health. The lead writer is Jacob Goldstein. He came to The Wall Street Journal from the Miami Herald, where he was a medical writer. Scott Hensley, who covered the drug industry as a reporter for the Journal for seven years, is the editor and also a contributor. The blog also includes contributions from other staffers at the Journal, WSJ.com and Dow Jones Newswires. Write to us at healthblog@wsj.com.

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The opening keynoter for this conference will be Francois Sarkozy, MD (yes, the brother of Himself).

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The full agenda and RSVP information can be found at www.cmpi.org.

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Comment by Peter J. Pitts – October 1, 2008 at [8:53 am](#)

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“Didn’t manage to find the time to get the prescription approved?!” Maybe the greed is on the part of the doctor, who prefers to see 28 patients and fill his pockets, rather than actually care for them.

Comment by InQuincy – October 1, 2008 at [9:15 am](#)

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Yesterday we were informed by one carrier we had to have pre-authorization for saline flush of IV lines. This is a 50 cent item!

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Comment by william r. black M.D. – October 1, 2008 at [9:22 am](#)

replying to InQuincy,

Wait until the day all of your doctors are foreign trained and you can’t even understand them. Do you really think family doctors are getting paid well? Think again.

InQuincy, you must like what’s happening to us on wallstreet, huh?

Comment by xrayos – October 1, 2008 at [9:57 am](#)

The problem is that of ego also. If you give benefit of the doubts to the doctor of being smart, it is pretty stupid for anyone to think they can control them.

There are no doubt bad practices exists driven by ego, bad ethics and financial needs.

rgds

ravi

blogs.biproinc.com/healthcare

Comment by Dr. Pandey – October 1, 2008 at [10:09 am](#)

Wow it seems that this doctor is much too busy to advocate for his patients. His ego and that of his colleagues share the blame. I wonder how many times the Celebrex rep took him to dinner or ‘sponsored’ his lectures.

Comment by Dr Chris – October 1, 2008 at [10:47 am](#)

Despite excellent credentials, My son-in-law has been trying to get into med school for years. Finally after graduating at the top of his class with a P.H.D. in physiology they let him in. By the time he is done he will have 15 years of post secondary education and \$200,000 in debt. Any one who thinks doctors are overpaid or underworked obviously doesn’t have the mental capacity to be one.

Comment by RMS – October 1, 2008 at [10:56 am](#)

RMS: I'll second that! Dr. Zhivago: have you looked into anger management?

Comment by Casual Observer – October 1, 2008 at [11:02 am](#)

My cash patients have this problem solved, especially those paying the network discounted prices tax-free using their HSA.

They decide along with the advice of their doctors if the more expensive drugs are worth it. Most of the time they'll opt for the generics first, and if that doesn't work and they really need it, then the expensive name brands are used.

The money patients save, they get to keep; as opposed to an insurer keeping more of their premium dollars by denying care!

Comment by James G. Knight MD, CDHInc.com – October 1, 2008 at [11:05 am](#)

Consumers are increasingly fed up with insurance companies, as are doctors. Maybe that's why there are now 18 million non-poor uninsured.

Comment by W. Irving, outofpocketprotector.com – October 1, 2008 at [11:13 am](#)

Nobody mentioned that, frequently the person you speak with for approval has limited (that's being generous) medical/surgical experience. It is common that, while denied initially, my office will be able to get authorization for procedures or meds, but it takes extra-ordinary hurdling ability. The same is true for processing claims... but the insurers hold their money (actually their subscribers money) a bit longer, collect interest, and, if one isn't persistent, they pocket the whole thing...

Comment by the deniers – October 1, 2008 at [11:45 am](#)

the problem is "privatized" health care! Obviously an insurance clerk with, perhaps, a 2-digit IQ, is the one making medical decision. They have no interest in helping the customer get better, only saving money so execs can get large golden parachutes a la Wall Street.

The government should want healthy citizens – they pay taxes.

Selfish readers think the Dr. sees 28 patients because he's greedy – he's doing his job above and beyond the call of duty!

Comment by GreenFrog – October 1, 2008 at [11:50 am](#)

There is little doubt in my mind that there is waste in the medical system and that there is a wide disparity in the test and drug ordering habits of physicians. Some of this is undoubtedly fueled by greed on the providers side of the equation caused by some of the perverse incentives in the way medical care is reimbursed in this country. The Dartmouth project showing the wide disparities in the use of medical resources in different regions of the country attests to this fact. I dislike the forms that clog my desk as much as any physician, but how are insurance companies

to protect against abuses of this system? Depending on ones view, they are either lining the pockets of their executives and shareholders or protecting their customers against steep increases in premiums. The truth is likely somewhere in between.

What insurers do is the equivalent of the unfunded mandate that governments are so good at passing off onto their subordinate institutions. In this instance, they increase the cost of running a medical practice without paying for all of this increased cost. Mandating insurers to reimburse physician offices and pay for the additional overhead when they are required to submit more paperwork for approval of a test or medication, would go a long way towards bringing some sanity to this practice. That way, doctors who order tests responsibly can be compensated for their time while those who do not will get all that paper work and no compensation. That would be my suggestion since insurance companies would then need to look at the increased cost of paying for this onerous process and it will distribute the cost for all this trouble back to the instigator of this paper work. They can then decide whether it makes economic sense to require pre authorizations and such from all their contracted physicians or to concentrate their efforts on the bad apples.

Comment by Keith Sarpolis – October 1, 2008 at [12:00 pm](#)

Re: P. Pitts' comment about Osler. When Osler retired (from private practice) from Johns Hopkins he lamented, "I go and now you have your way." Osler fought (and ultimately lost) against physicians being full-time at the university! Government medicine, indeed!

Comment by JF, MD – October 1, 2008 at [12:02 pm](#)

Hey GreenFrog: No one invests more time and money in preparing for a career spent helping people than doctors. But you're not going to win anyone over by implying that all non-doctors are imbeciles.

Comment by Casual Observer – October 1, 2008 at [12:03 pm](#)

Prior auth for Celebrex, necessary? Yes. What a joke drug. It failed in the pain studies and had questionable benefit in decreased GI toxicity at 6 months. At one year, this questionable benefit had dissappeared. Why are physicians still writing for this dog drug. Maybe if the physician had made the time to read the medical literature insteading of geeting all of his drug information from a cute Pfizer Rep, then he would not be stressing about a prior auth for a dog drug and decerase his work load. We need to work smarter, not work harder.

Comment by Pharmacology MD – October 1, 2008 at [12:16 pm](#)

Of course tests and procedures are excessively prescribed. Omit just one test/procedure remotely related to a patient's complaint and watch the lawyers line up to

sue! Repeat for each visit. Do you really believe that turning the decision-making to Federal bureaucrats will reduce waste? Based on what precedent?

The quickest way to reduce healthcare costs is to restrict the level of Medicaid services to the Medicare standards.

We must find a realistic way to ration health care which is paid for by the public. We can NOT afford to provide extreme care for each terminally ill indigent. We can also eliminate a substantial percentage of health-care costs incurred by urban hospitals if we require proof of lawful presence (treat, then deport).

Comment by Tough Choices – October 1, 2008 at [12:23 pm](#)

Hey Peter Pitts: Are you still funded exclusively by big Pharma? Those relationships developed at FDA have served you well.

Comment by TN – October 1, 2008 at [12:51 pm](#)

Dear TN:

Nope.

Hey, per transparency, why not use your name?

Comment by Peter J. Pitts – October 1, 2008 at [12:55 pm](#)

Pharm MD: You of all people should know that the studies report the average benefit. Maybe this patient will be at the upper end of the response curve for celebrex. You won't know until you give it a try. Sounds like Brewer actually talked to his patient; we should be rewarding that, not making innuendo about "cutie drug reps."

Comment by Rebecca D., M.D. – October 1, 2008 at [1:27 pm](#)

to Pharmacology MD: you're a turd. S/P 3 lumbar surgeries, Celebrex is the only NSAID I can tolerate long term. It works. It keeps me from taking Opioids. But then again, why would you know any of this, you're a pharmacology nerd who doesn't see patients, so you don't know what you're talking about anyways. Oh and BTW, there are many trials showing the efficacy of CBX v. PLA in pain, all replicated and published in reputable journals. To summarize, you're a turd.

Comment by pain sufferer – October 1, 2008 at [1:42 pm](#)

This is another step in the insertion of insurers in the decision making process. They've gone from just paying the bills to now choosing the meds used. How soon will it be that we decide what class of med is needed and the insurer dictates the actual drug and dose. Mrs Smith need an ace inhibitor, with her coverage she gets enalapril 10mg. Mr Jones needs an ace inhibitor, he gets lisinopril 20mg. How close are we to this already? We absolutely should be railing about this. This is not a temporary trend; things are only going to get worse.

Comment by john – October 1, 2008 at [1:56 pm](#)

I am concerned about the number of comments on this subject from MD's in the middle of the day. Don't they have patients?

Comment by BILLP – October 1, 2008 at [2:10 pm](#)

He didn't have time to write a 3-sentence memo and place it [or have his ass't] in the fax machine?

Pull the other leg, it has bells on it.

Comment by ruserious? – October 1, 2008 at [2:54 pm](#)

Bill: Contrary to popular belief, we do occasionally have to eat. Not everyone has the luxury of a lunch hour scheduled precisely at noon.

Comment by Rebecca D., M.D. – October 1, 2008 at [3:53 pm](#)

approval is needed for IV fluids and other cheap items to help people yet Pres. W has unfettered rights to send soldiers to their deaths....hello?

Comment by sickette – October 1, 2008 at [4:53 pm](#)

InQuincy,

Yeah at the medicaid rate in our state of 14\$ per patient, I must be getting rich off of this. Given my overheads, I won't make it as a practical matter if I see less.

Get in touch with reality!

Perhaps those like you would just as well see the system implode with no doctors at all.

Comment by Anonymous – October 1, 2008 at [4:57 pm](#)

Insurers are colluding to create a system where they run the roost and deny care in any way possible. That is their internally sworn mission. Whatever coalaid they feed you the public. THEY MAKE MONEY BY DENYING CARE.

Consider Medicare part D. Consider the variables that might require the haggard doctor and his staff to get a medication covered and come to your own conclusion if there is any reason for this other than to profiteer.

- 1) The 60something plan formularies. Each getting a massive Gov't subsidy/payment.
- 2) The fact that the plan can change the formulary within the year (and therefore require a Prior Auth. for something they paid for until the previous month.
- 3) The medicare administrator can switch a plan beneficiary to another plan without their notification if they are on a low income subsidy.
- 4) The Patient themselves can choose to switch.
- 5) They hit the Donut hole.

You get the drift. This thing is more complicated than you average "creative financing" mortgage that has landed us in this financial predicament as a country. In that case between the Points, Loan duration, the APR, the ARM, the variable closing costs etc etc, you head ends up spinning such that the broker will get you somewhere. Imagine how well you cope with this complexity if you are 70 yrs old

and in mild cognitive decline. Do you see a similarity in this pattern of exploitation, by making this hard to figure out for the average joe?

Having had to deal with a single patient for whom for a single drug I was doing my 3rd prior authorisation THIS YEAR because of the above mentioned variations. I can only conclude that this is no accident. The Plan was designed by the insurance companies and for the insurance companies with a congressional rubber stamp. If that is the way we choose to spend our tax money then god help us.

Comment by Anonymous – October 1, 2008 at [5:16 pm](#)

he probably can't be bothered but i am sure he has a staff to delegate to. complaining just to complain is stupid. just send the form in, most insurances will approve.

Comment by Anonymous – October 1, 2008 at [6:16 pm](#)

For those that don't ever want to fill out a pre-authorization form for care that you have deemed appropriate, apply for a job at NCAL KP.

Comment by KP Internist – October 1, 2008 at [8:01 pm](#)

i think all of us should enlist our patients to be present during a video recording of obtaining a pre-auth (especially from a medicare-advantage SCAM hmo like vns-choice-ny) & post it on youtube. That'd do wonders for their marketing, i think.

Comment by anon primary care MD – October 1, 2008 at [10:17 pm](#)

I don't understand why a Doctor can't just prescribe the drug and let the patient battle the insurer? Also, if an insurance company denies something, can they be sued if a bad outcome results and the physician not be liable since they were following a standard of care? And why not just go ahead with the procedure/drug and the patient pay any uncovered costs?

Comment by Jimmy – October 1, 2008 at [10:32 pm](#)

Celebrex is a useless drug. It is another example of pharma companies pitiful R&D along with their marketing machines. This drug offers no benefits – did you read the studies, did you critique them? Just to note – pharmacists have more pharmacology expertise than any other healthcare provider. They are trained on pharmacology, pharmacokinetics, and pharmaceuticals for over 5 years. They also are taught pharmacotherapy. You should not discount a pharmacist and you should trust their expertise when it comes to drug selection. Physicians, nurses, etc. have nowhere near the pharmacology education in their respective colleges/degrees. It is scary to think these health care professionals can prescribe with such limited education.

Comment by Anonymous – October 2, 2008 at [12:31 pm](#)

Hey pain sufferer – maybe you should lose some weight!

You have no clue! Pharmacists trump any other healthcare provider when it comes to drug knowledge! You probably cannot even properly critique a clinical study – if you could, you would realize Celebrex is one of the most useless drugs ever released to the US market. Guess what stupid, pharmacists do see patients. Get an education yourself turd!

Comment by Anonymous – October 2, 2008 at [12:36 pm](#)

Jimmy, I have a hard enough time getting patients to take medications for their chronic diseases when it is “covered” and provided for 10 dollars at 100 days supply. I don’t think anyone is going to go down to the pharmacy to pickup a rx for 400 dollars then file a claim to get it reimbursed. Of that claim will need my authorization and justification, also. At KP, I just write what I think is reasonable and on the formulary (I only need to know 1 formulary) and patient picks it up. If it is not on the formulary, I don’t need to fill out anything to allow the patient to fill it.

Comment by KP Internist – October 2, 2008 at [1:02 pm](#)

Hey, Anonymous. News flash; a knowledge of pharmacology isn’t the only thing someone needs to prescribe medications. Heaven forbid you also understand pathophysiology and how to deal with psychosocial obstacles to care (among many other things). How do they let those ignorant doctors practice, indeed.

Comment by Dr_Dredd – October 2, 2008 at [1:13 pm](#)

KPInternist:

No doubt you’ll agree that if it costs \$400 then somebody is paying for it through insurance premiums. According to most studies between 83% and 100% of the cost of health benefits is derived from reduced wages and salaries. So if you took half of the nearly \$10,000 annual cost per employee and put that money tax-free directly into their health savings account, you could work with them to decide what drug is actually the most cost effective, rather than restrict access to medications through any kind of formulary. Moreover, they would pay for it tax-free from the new money created by moving to much less expensive HSA premiums and if they don’t spend, it they get to keep it. I presume that’s part of the reason why Kaiser is offering very affordable HSA qualifying insurance?

Comment by JGKMD – October 2, 2008 at [5:14 pm](#)

Anonymous – October 2, 2008 at 12:31 pm,

You are an egotistical fool and know not this as yet. Get over yourself.

Comment by Anonymous – October 2, 2008 at [5:19 pm](#)

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