



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
LANSING

ANITA G. FOX
DIRECTOR

PUBLIC ACT 60 of 2022: SECTION 2212e (MCL 500.2212e) REPORT: 2023

I. INTRODUCTION

Section 2212e(13) of the Insurance Code requires insurers to report to DIFS aggregated trend data related to their prior authorization practices and experience for the prior plan year. The report must include the following items:

- a. The number of prior authorization requests.
- b. The number of prior authorization requests denied.
- c. The number of appeals received.
- d. The number of adverse determinations reversed on appeal.
- e. Of the total number of prior authorization requests, the number of prior authorization requests that were not submitted electronically.
- f. The top 10 services that were denied.
- g. The top 10 reasons prior authorization requests were denied.

This report has been written and posted pursuant to Section 2212e(14), which requires DIFS to aggregate and deidentify the data submitted by insurers into a standard report and post the report on the DIFS website.

DIFS produced the [FIS 2379](#) form to allow insurers to report the data required under 2212e(13). This form splits each of the categories listed above into two categories: medical and prescription. This report will include the aggregated data for both categories under each item. DIFS may make changes to the FIS 2379 form or to the categories reported under Sec. 2212e(13)(g) in the future, which may result in changes to the reasons reported for prior authorization denials going forward.

II. AGGREGATED AND DEIDENTIFIED DATA

Sec. 2212e(13)(a): Number of Prior Authorization Requests

Medical: 1,047,439

Prescription: 258,587

Sec. 2212e(13)(b): Prior Authorization Requests Denied

Medical: 76,250

Prescription: 94,653

Sec. 2212e(13)(c): Number of Appeals Received

Medical: 6,603

Prescription: 6,395

Sec. 2212e(13)(d): Adverse Determinations Reversed on Appeal

Medical: 3,128

Prescription: 3,021

Sec. 2212e(13)(e): Prior Authorization Requests Not Submitted Electronically

Medical: 176,514

Prescription: 98,348

Sec. 2212e(13)(f): Top 10 Services Denied

Medical:

| Rank | Service | Count |
|------|--|-------|
| 1 | Inpatient Hospital Admission | 4,974 |
| 2 | Outpatient Physical Therapy | 4,846 |
| 3 | Magnetic Resonance Imaging (MRI): Lower Spinal Canal | 2,641 |
| 4 | MRI: Leg Joint | 2,311 |
| 5 | Sleep Monitoring of Patient (6 years or older) in Sleep Lab | 1,699 |
| 6 | Computed Tomography (CT): Chest | 1,687 |
| 7 | MRI: Any Joint of Upper Extremity | 1,553 |
| 8 | MRI: Cervical Spine | 1,248 |
| 9 | CT: Abdomen and Pelvis | 920 |
| 10 | Treatment of speech, language, voice, communication, and/or auditory processing disorder | 800 |

Prescription:

| Rank | Product | Count |
|------|------------|-------|
| 1 | Ozempic | 4,655 |
| 2 | Saxenda | 3,114 |
| 3 | Nurtec ODT | 2,732 |
| 4 | Trulicity | 2,285 |
| 5 | Mounjaro | 1,911 |
| 6 | Wegovy | 1,910 |
| 7 | Ubrelvy | 1,097 |
| 8 | Vyvanse | 835 |
| 9 | Xifaxan | 752 |
| 10 | Dupixent | 688 |

Sec. 2212e(13)(g): Top 10 Reasons for Denial

Medical:

| Rank | Reason | Count |
|------|---|--------|
| 1 | Medical Necessity | 66,900 |
| 2 | Contractual Benefit Exclusion or Limitation (Including Site of Care Restrictions) | 4,823 |
| 3 | Network Limitations | 3,018 |
| 4 | Lack of Appropriate Referral or Timely Notification | 533 |
| 5 | Administrative Denials | 388 |
| 6 | Lack of Clinical or Supporting Documentation | 254 |
| 7 | Step Therapy Requirements Not Met | 232 |
| 9 | Retrospective Authorization Denials | 171 |
| 10 | Experimental/Investigational | 158 |
| 11 | Coordination of Benefits | 5 |

Prescription:

| Rank | Reason | Count |
|------|--|--------|
| 1 | Medical Necessity | 31,973 |
| 2 | Prior Authorization Denial ¹ | 20,794 |
| 3 | Formulary or Tiering Restriction | 13,381 |
| 4 | Step Therapy Requirements Not Met | 6,775 |
| 5 | Contractual Benefit Exclusion or Limitation | 6,299 |
| 6 | Quantity Limitations | 2,834 |
| 7 | Lack Of Clinical or Supporting Documentation | 1,737 |
| 8 | Not A Prescription Drug Benefit | 414 |
| 9 | Administrative Denials | 208 |
| 10 | Experimental/Investigational | 60 |

¹ Two insurers reported a denial reason of "Prior Authorization Denial" or "Prior Authorization Exception" without further elaboration.