

# Reforming Prior Authorization

## Pitfalls & Opportunities with Artificial Intelligence (AI) in Medicare and Medicare Advantage (MA)

MA Insurers Made

**53**  
million

PA Determinations in  
2024.<sup>1</sup>

**80%**

Of Prior Authorization  
Denials In MA Are  
Overturned Upon  
Appeal.<sup>1</sup>

Prior Authorization Harms  
Patients and Costs Time  
& Money for Providers<sup>2</sup>



Increases Negative Patient  
Outcomes & Serious  
Adverse Events



Creates Administrative  
Burden for Providers



Increases Physician  
Burnout

Prior authorization (PA) required by MA plans often delays or denies medically necessary care, burdening clinicians with extensive documentation requirements and harming patients.

As the leading organization for clinical informatics, the **American Medical Informatics Association (AMIA)** recommends that PA should ultimately be eliminated to improve patient access and reduce clinician burnout. AMIA urges interim reforms including electronic PA, transparency, and strict guardrails on the use of artificial intelligence (AI) for decision-making.

**1**

### Pass the *Improving Seniors' Timely Access to Care (Seniors') Act (H.R. 3514/ S. 1816)*

The Seniors' Act is bipartisan legislation designed to streamline and modernize prior authorization within MA, reducing delays and administrative burdens that prevent seniors from receiving timely, medically necessary care by:

- Establishing an electronic PA process for MA plans, including standardization for transactions and clinical attachments.
- Increasing transparency around MA PA requirements and their use of AI.
- Providing a pathway for the Centers for Medicare Services (CMS) to institute real-time decisions for routinely approved items and services in the future and clarifying CMS' authority to establish appropriate timeframes for PA requests, including expedited determinations, real-time decisions for routinely approved items and services and any other PA request.
- Expanding beneficiary protections to improve enrollee experiences and outcomes.
- Requiring federal agencies to report to Congress on program integrity efforts and other ways to improve the PA process.

The bill has broad, bicameral and bipartisan support in Congress and across hundreds of healthcare organizations.

**AMIA urges immediate passage of H.R. 3514/ S. 1816.**

1. [KFF](#) | 2026
2. [AMA](#) | 2024

## 2 Prior Authorization Does Not Belong in Traditional Medicare

AMIA strongly disagrees that the WISeR (Wasteful and Inappropriate Service Reduction) Model, a CMS Innovation Center initiative that applies AI-enhanced PA processes to select Traditional Medicare services in select pilot states, will benefit patients and providers.

**AI must never be used as the sole basis for denying care.** No algorithm should override point-of-care clinical judgment. If AI recommends denying a PA request, that decision must trigger a mandatory review by a qualified human clinician with expertise in the relevant treatment. Such AI-driven denials are already harmful in MA and must not be imported into Traditional Medicare through WISeR.

**AI should support over-burdened clinicians.** WISeR prioritizes administrative efficiency for payors while sidelining the needs of clinicians and patients. Instead of using AI to screen and block services, CMS should focus on interoperability improvements that allow AI tools to help clinicians complete PA documentation within the EHR, reducing provider burden.

*WISeR uses machine learning to flag “inappropriate utilization,” in Traditional Medicare, yet fails to consider that roughly 80% of PA denials in MA are overturned on appeal, demonstrating how often automated systems get it wrong.*

**Support the *Seniors Deserve SMARTER Care Act* (H.R. 5940 / S. 3480) to prevent CMS from implementing WISeR.**

## 3 Encourage CMS to Implement Commonsense PA Protections

As MA enrollment expands and PA denials grow, AMIA encourages Congress to require additional regulatory guardrails to ensure that PA processes are timely, transparent, and clinically appropriate, especially as insurers increasingly deploy AI tools including:

### **Accelerate PA Decision Timeframes from 72 Hours to 24 Hours**

- AMIA encourages 24-hour PA decisions to reduce harmful delays in care for seniors

### **Clarify and Streamline PA Workflow to Reduce Burden on Providers**

- Require insurers to clearly explain PA denials, distinguishing system errors from payer denials
- Ensure timely human review when automated systems flag unclear or insufficient information
- Prevent previously approved treatments from being later denied without explanation or a justified need for a new PA request

### **Require Transparency of AI Use in MA Plans**

- Require payors to disclose AI use in PA, including how medical necessity is determined
- Allow independent auditors to review AI models to ensure fairness, accuracy, and clinical appropriateness, with human-in-the-loop oversight
- Use appeal outcomes as feedback to continuously refine and improve AI tools

