



# **2018 Managed Care Report**

**To**

Governor Dannel P. Malloy  
Insurance and Real Estate Committee  
Public Health Committee

**Presented by**

Connecticut Insurance Department  
Katharine L. Wade, Commissioner  
March 1, 2018

I am pleased to present this annual report on the regulation of Managed Care in Connecticut. The report offers an overview of the Insurance Department's regulatory and enforcement activity of Managed Care Organizations (MCOs) for the calendar year 2017.

The Department continues to enhance its multi-pronged regulatory approach of oversight, advocacy, education, licensing and enforcement in carrying out our mission of consumer protection. This report highlights activities of our Life & Health, Consumer Affairs and Market Conduct divisions, which ensure products comply with state laws and regulations before they can be marketed to Connecticut and that carriers are providing the benefits of which their customers are entitled. In recent years, the Department's regulatory responsibility has been statutorily expanded to monitor network adequacy and the lists of drugs that insurers cover.

Our licensing activity of Utilization Review (UR) companies and Independent Review Organizations (IROs), which play key roles in providing consumers access to medically necessary treatment and in the appeals of claims denials, is included in this report. The report also lists licensed Preferred Provider Networks (PPN), Pharmacy Benefit Managers (PBM) and Medical Discount Plans (MDP).

Consumer advocacy, education and outreach continue to be one of our prime focuses. In 2017, we recovered nearly \$4.8 million on behalf of insurance customers who benefited from Department intervention. Of that nearly \$3 million was health insurance recoveries. Our commitment to education consumers included numerous outreach events in 2017 and our annual [Consumer Report Card](#), giving individuals, families and businesses information to make informed choices about health insurance plans. Our free online consumer newsletter, "[Insurance Matters](#)" continues to be widely distributed and provides consumers with topical, useful information.

We hope you find this report informative.

Sincerely,

A handwritten signature in blue ink that reads "Katharine L. Wade". The signature is written in a cursive, flowing style.

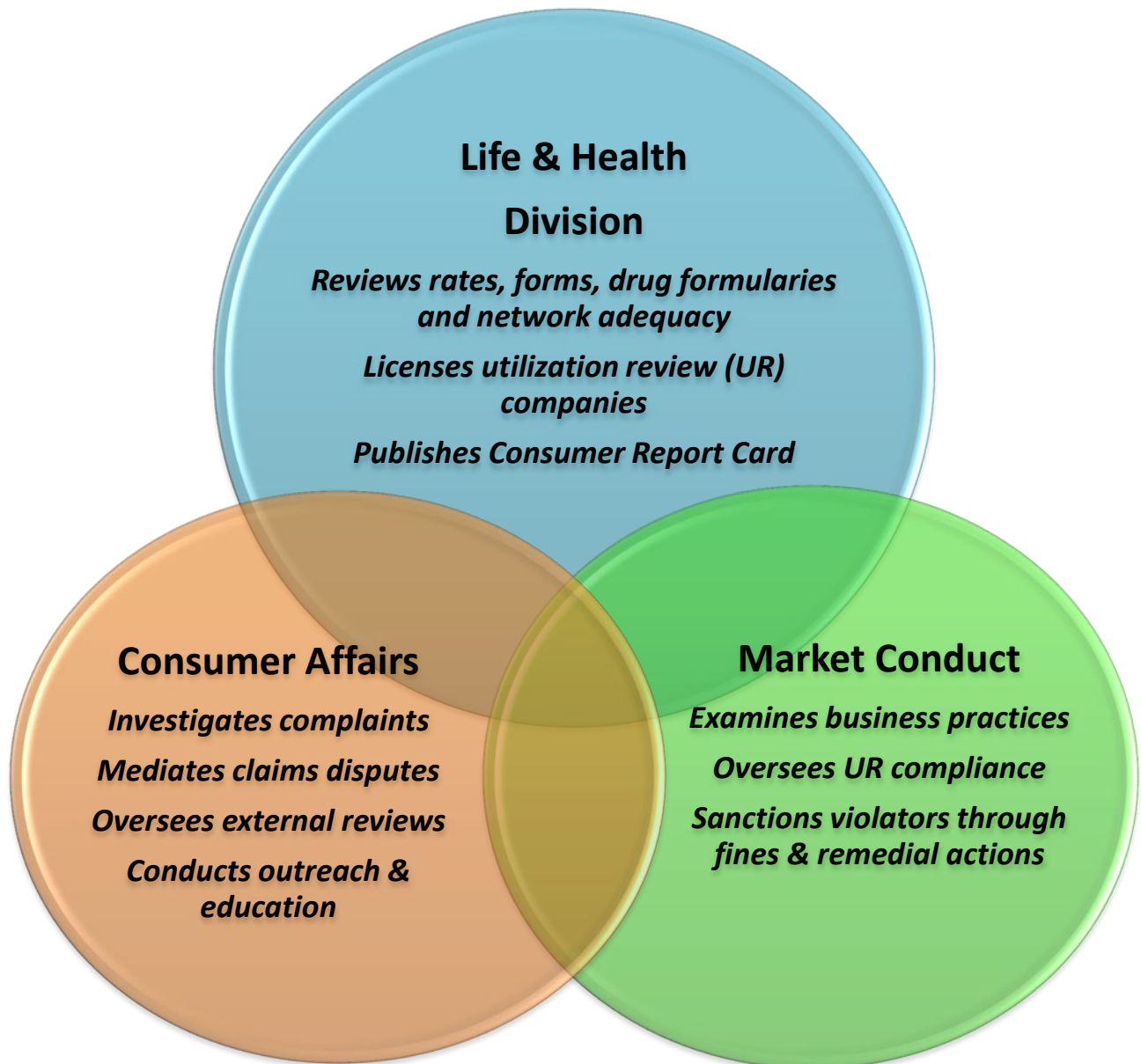
Katharine L. Wade  
Commissioner

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# I. Insurance Department Organizational Chart

Of the 10 core divisions that make up the Insurance Department, there are three (3) units that have direct oversight of Managed Care:



## II. Licensed Managed Care Organizations (MCOs) In Connecticut as of December 31, 2017

Managed Care Organization	Web site
Aetna Health, Inc.	<a href="http://www.aetna.com">www.aetna.com</a>
Aetna Life Insurance Company	<a href="http://www.aetna.com">www.aetna.com</a>
Anthem Blue Cross & Blue Shield of CT, Inc.	<a href="http://www.anthem.com">www.anthem.com</a>
CIGNA Health & Life Insurance Company	<a href="http://www.cigna.com">www.cigna.com</a>
CIGNA Healthcare of Connecticut, Inc.	<a href="http://www.cigna.com">www.cigna.com</a>
ConnectiCare, Inc.	<a href="http://www.connecticare.com">www.connecticare.com</a>
ConnectiCare Insurance Company, Inc.	<a href="http://www.connecticare.com">www.connecticare.com</a>
ConnectiCare Benefits, Inc.	<a href="http://www.connecticare.com">www.connecticare.com</a>
Connecticut General Life Insurance Company	<a href="http://www.cigna.com">www.cigna.com</a>
Golden Rule Insurance Company	<a href="http://www.goldenrule.com">www.goldenrule.com</a>
Harvard Pilgrim Healthcare of CT	<a href="http://www.harvardpilgrim.org">www.harvardpilgrim.org</a>
HPHC Insurance Company	<a href="http://www.harvardpilgrim.org">www.harvardpilgrim.org</a>
Oxford Health Insurance, Inc.	<a href="http://www.oxhp.com">www.oxhp.com</a>
Oxford Health Plans (CT), Inc.	<a href="http://www.oxhp.com">www.oxhp.com</a>
United HealthCare Insurance Company	<a href="http://www.uhc.com">www.uhc.com</a>

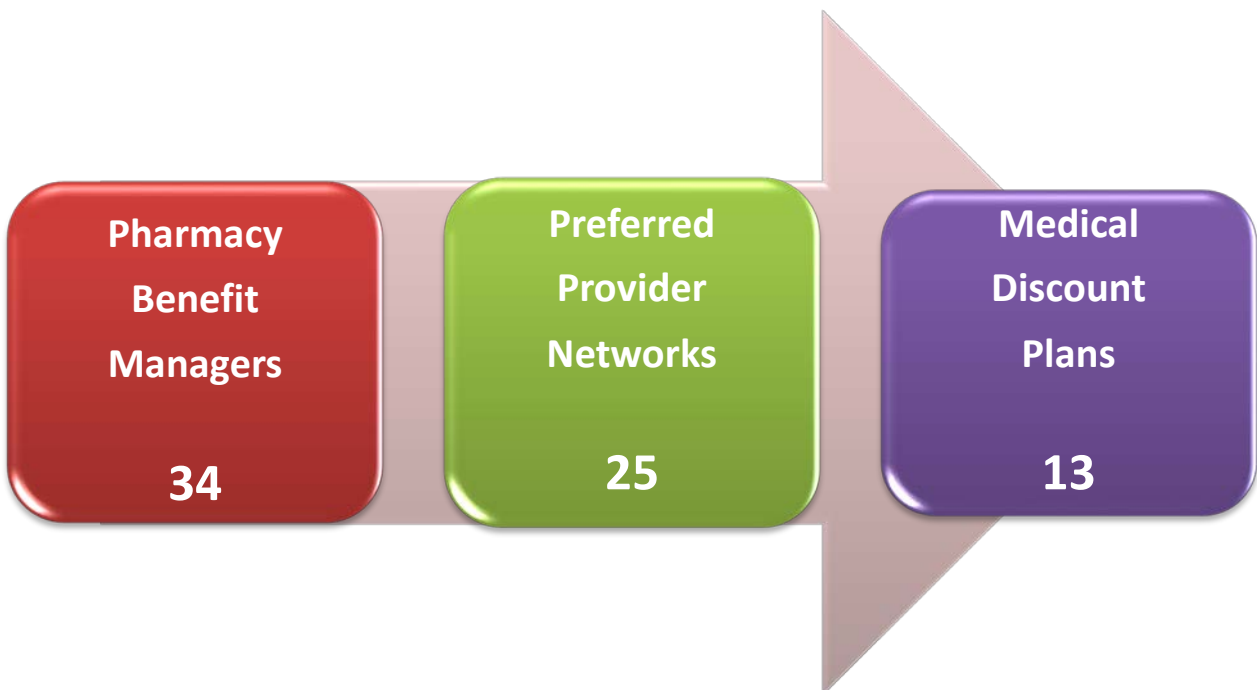
### **III. Other Licensed Entities**

The Department also licenses and/or registers medical services providers other than managed care organizations that consumers use when accessing health care.

Those entities, Preferred Provider Networks (PPNs) and Pharmacy Benefit Managers (PBMs) contract with health insurers to offer provider networks and pharmacy benefits, respectively.

Others, such as Medical Discount Plans (MDP) provide consumers the opportunity to access medical services at discounted rates.

Below is the Department's 2018 licensing/registration activity of these providers:



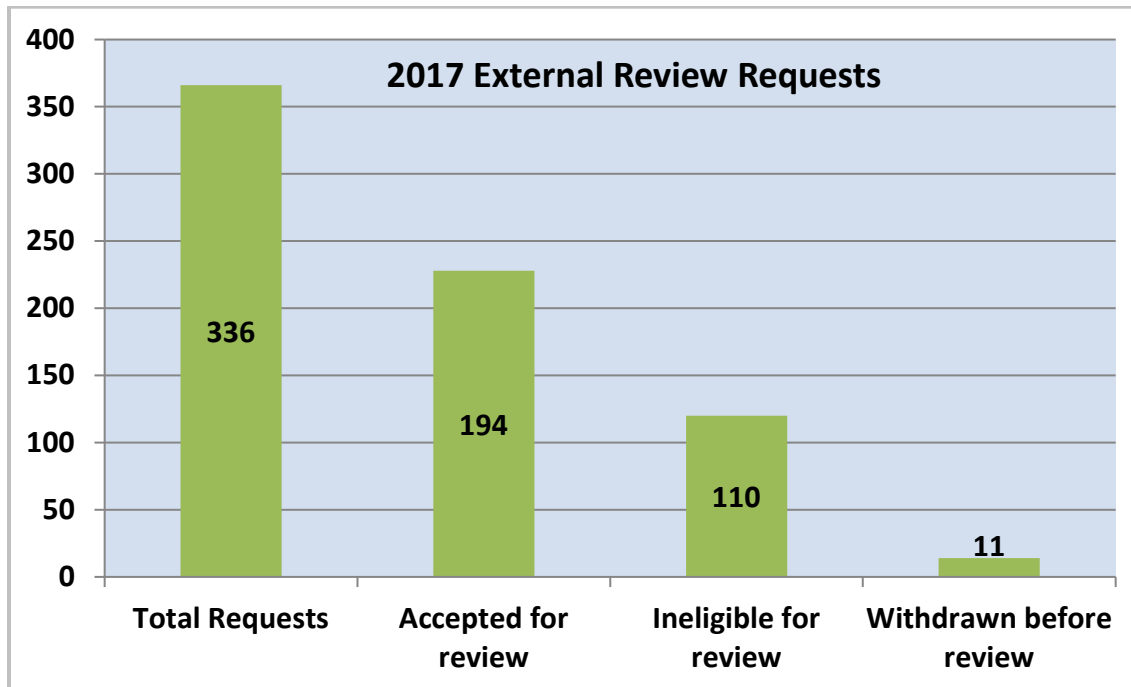
## IV. External Appeal Process

### Independent Review Organizations (IROs) Licensed in 2017

Below are the three companies chosen through a competitive bidding process that provided independent external reviews of appeals of health insurance denials from January 1, 2016 to December 31, 2017.

Independent Review Organization	Address
IPRO, Inc.	Lake Success, NY
MAXIMUS Federal Services, Inc.	Reston, VA
National Medical Reviews, Inc.	Southampton, PA

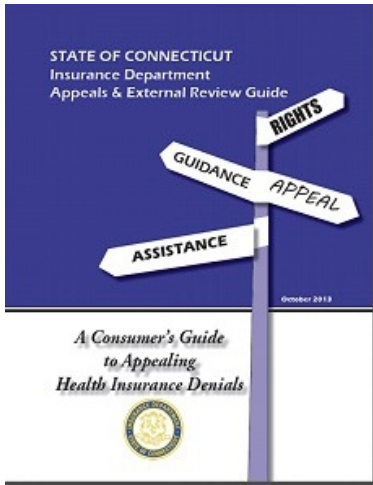
### External Review Requests in 2017



# External Review Results in 2017



## Insurance Department Resources for Appealing Denials



### [CID Consumer's Guide for Appeals:](#)

- Informs consumers of the eligibility requirements for filing appeals
- Explains how insurers conduct medical necessity reviews
- Provides [necessary forms](#) and information to properly file appeals
- Explains how the process works once information is submitted
- Is available on the [CID Web site](#)



## V. Utilization Review

### Licensing

The Department licenses all utilization review (UR) companies, entities contracted by managed care organizations to review requests for services based on medical necessity and to determine if the recommended treatment is appropriate.

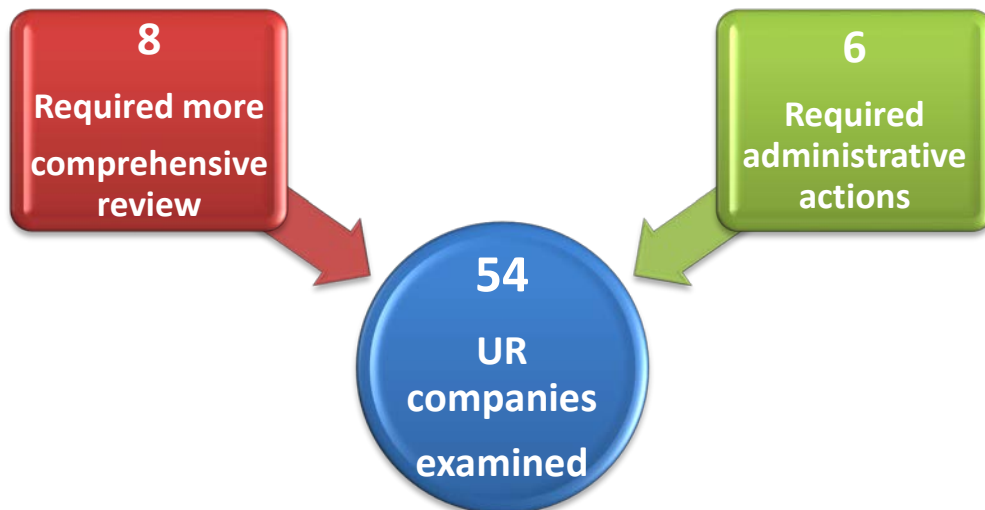
UR Companies	Issued in 2017	Pending
Renewals	57	8
New Licensees	6	0

### Market Conduct

The Department's Market Conduct Division examines UR business practices for compliance with all state laws and regulations and [completed reviews are posted](#) on the Department Web site. Criteria reviewed are:

- Timeliness of decisions and notification requirements
- Adherence to confidentiality laws
- Use of relevant medical personnel
- Protocols updates to reflect changes in medicine and statute

An overview of the Department's 2017 monitoring of UR companies:



#### Areas most frequently cited in 2017 for improvement:

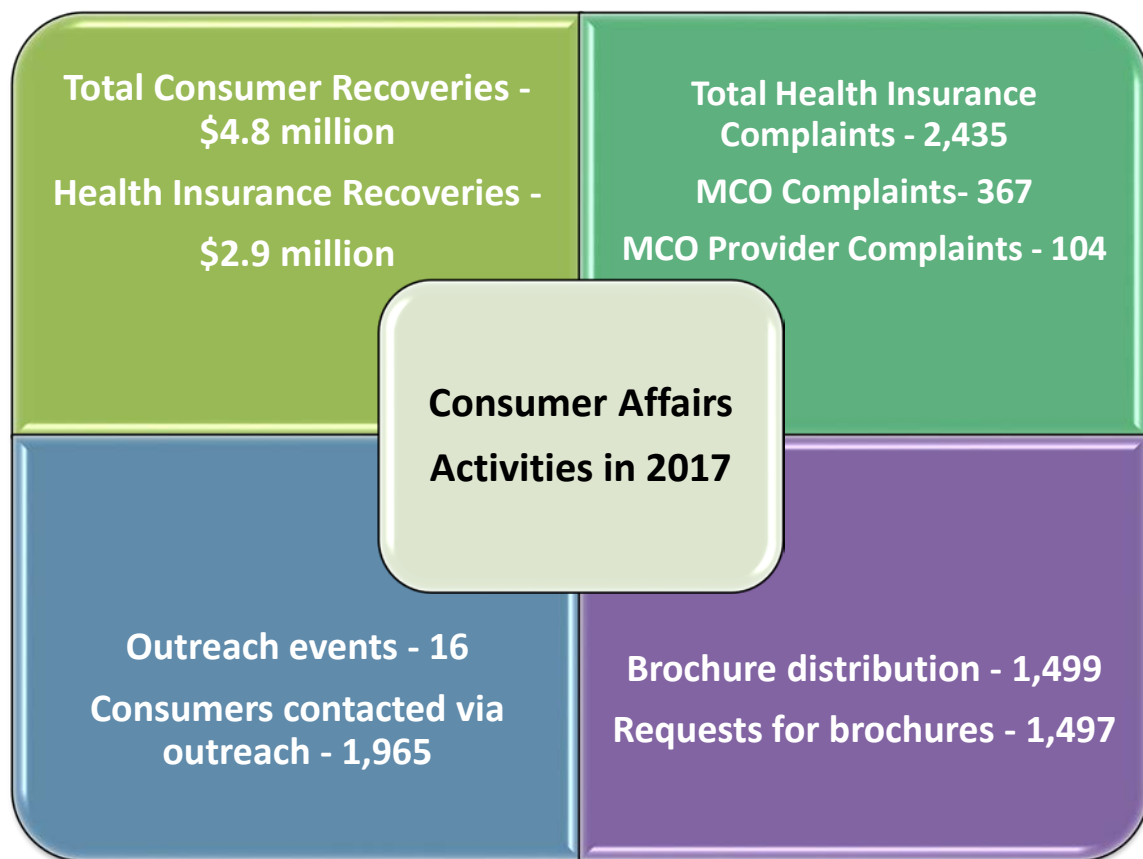
- Failure to maintain proper clinical review criteria on its Internet Web site
- Lack of proper appeal language
- Lack of appropriate clinical peer
- Failure to maintain sufficient documentation for regulatory review

## VI. Consumer Advocacy & Outreach

The Consumer Affairs Unit (CAU) is the Department's front line for policyholders. CAU Examiners are well-versed in state insurance law and field thousands of calls from the public each year, answering questions both simple and complex. The CAU is also an essential liaison between consumers and their insurers when complaints arise over claim denials and other health insurance coverage issues.

In addition, the CAU engages regularly with the public at numerous outreach events and maintains a free speakers' bureau for organizations interested in providing programs that address topical insurance issues.

An overview of the Consumer Affairs Unit 2017 Activity:



A list of all insurance complaints fielded in 2017 by the Consumer Affairs Unit is on the [Department Web site](#) and on the [state's Open Data Portal](#).

## VII. The Consumer Report Card On Health Insurance Carriers in Connecticut



Since 1998, the Department has published a [Consumer Report Card on Health Insurance Carriers in Connecticut](#) – that includes all health care centers, commonly referred to as HMOs – and up to 15 insurers with the highest premium volume in Connecticut, that offer Managed Care Plans.

The Department collects data by July 1 of each year and publishes the Report Card each October, updating it yearly to make more useful for consumers. The Department compiles and compares a number of quality measures, including provider networks, covered services and member satisfaction. The 2017 edition reflects data from 2016 calendar year.

Among the highlights of the 2017 edition is expanded data on how insurance companies are doing in providing follow-up treatment for mental

health and substance abuse care and an increase in number of participating physician specialists. Additionally, the 15 insurance companies and HMOs included the 2017 Report Card received just under 15.3 million claims in 2016, a decrease from the 18.4 million claims they received in 2015.

Widely distributed and free of charge, it is posted online, shared through social media, mailed to every library in the state and available at outreach events and upon request.

**In 2017, the following criteria were included in the Report Card:**

- Number of providers, specialists, hospitals and pharmacies by county
- Percentage of primary care physicians who are board certified
- Percentage of specialists who are board certified
- Enrollment
- National Committee for Quality Assurance accreditation status
- Federal medical loss ratios
- Utilization review statistics of medical necessity broken down by mental health/substance abuse and medical
- Customer service information
- Breast cancer screening measures
- Cervical cancer screening measures
- Colorectal cancer screening measures
- Controlling high blood pressure measures
- Childhood and adolescent immunizations measures, including female HPV vaccines
- Pre-natal and post-partum care
- Adult access to preventive care/ambulatory services
- Access to primary care physicians for children and adolescents
- Eye exams for people with diabetes
- Beta blocker treatments after a heart attack
- Claim denial data broken down by mental health/substance abuse and medical
- Member Satisfaction Survey results

## **Behavioral Health and Substance Abuse Metrics**

### **Utilization Review (UR) statistics for Behavioral Health Services broken down by inpatient admissions, outpatient services, procedures and extensions of stay:**

- Number of UR request received
- Number of denials (excluding partial denials)
- Number of partial denials
- Percentage of UR request that were denied (including partials)
- Number of appeals of denials
- Percentage of denials that were appealed
- Number of denials reversed on appeal
- Percentage of appealed denials that were reversed
- Number of upheld appeals that went to external appeal
- Percentage of all appeals that went to external appeal
- Percentage of external appeals that were reversed

### **Totals and percentage of members who received:**

- Any mental health service
- Inpatient mental health service
- Intensive outpatient or partial hospitalization health services
- Outpatient or emergency department health services

### **Totals and percentage of members who received:**

- Any chemical dependency service
- Inpatient chemical dependency services
- Intensive outpatient or partial hospitalization health services
- Outpatient or emergency department health services

### **Follow-up after hospitalization for mental illness for members 6 years and older:**

- Percentage of members who had an outpatient visit, intensive outpatient visit or partial hospitalization with a mental health practitioner on the date of discharge up to 30 days after the hospital discharge

- Percentage who had an outpatient visit, intensive outpatient visit or partial hospitalizations with a mental health practitioner on the date of discharge up to seven days after the hospital discharge

**Percentage of members 18 years and older treated with antidepressant medication who met at least one of the following criteria during intake period:**

- An outpatient, intensive outpatient or partial hospitalization setting with a diagnosis of major depression
- An emergency department visit with any diagnosis of major depression
- At least one inpatient claim/encounter with any diagnosis of major depression
- Those who remained on antidepressant medication for at least an 84-day period (12 weeks)
- Those who remained on antidepressant medication for at least 180 days (six months)

**Utilization Review (UR) reflecting denial and appeal rates for members:**

- Authorization of Medical Necessity Coverage by Type and Level of Treatment
- Denial of Medical Necessity Coverage by Type and Level of Treatment
- Denials of Medical Necessity Upheld or Overturned by Type and Level of Treatment

**Levels and Types of Treatment include the following:**

- Acute Inpatient
- Residential
- Partial hospitalization
- Intensive Outpatient
- Routine Outpatient
- Substance Abuse Detox