2019 Managed Care Report

To

Governor Ned Lamont
Insurance and Real Estate Committee
Public Health Committee

Presented by

Connecticut Insurance Department
Paul Lombardo, Acting Commissioner
February 19, 2019

The Insurance Department's annual report on the regulation of Managed Care in Connecticut offers an overview of the Department's regulatory and enforcement activity of Managed Care Organizations (MCOs) for the calendar year 2018.

The Department employs a 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. The Department's regulatory responsibility also includes monitoring network adequacy and the lists of drugs – or formularies – that insurers cover.

Also included in this report is 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. We also list the number of 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 2018, we recovered more than $5.5 million on behalf of insurance customers who benefited from Department intervention. Of that nearly $2.3 million was health insurance recoveries. Our commitment to educating consumers included numerous outreach events in 2018 and our annual **Consumer Report Card**, giving individuals, families and businesses information to make informed choices about health insurance plans.

We hope you find this report informative.

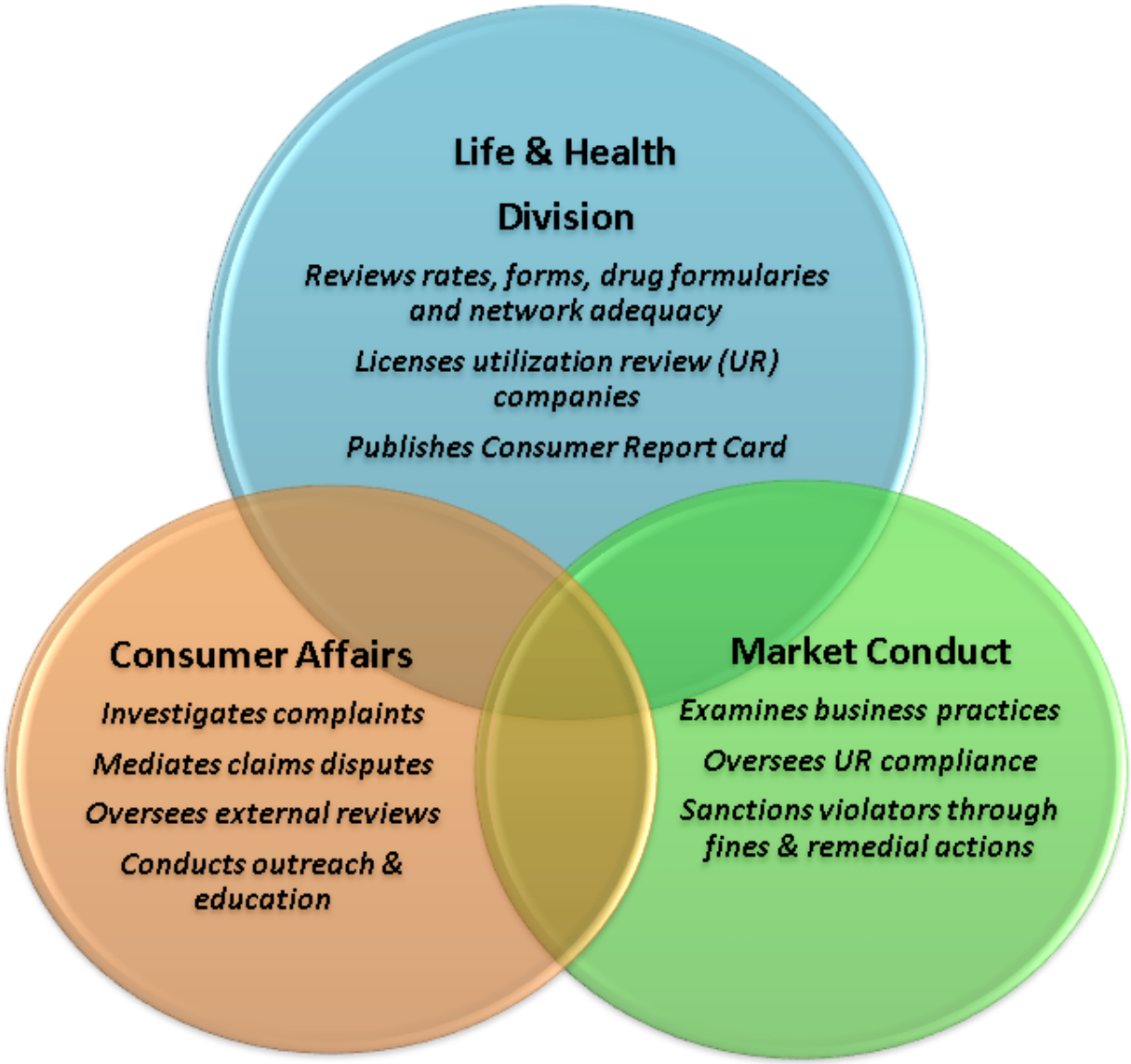
Sincerely,

Paul Lombardo
Acting Commissioner

Table of Contents

I. Insurance Department Organizational Chart

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



II. Licensed Managed Care Organizations (MCOs) In Connecticut as of December 31, 2018

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

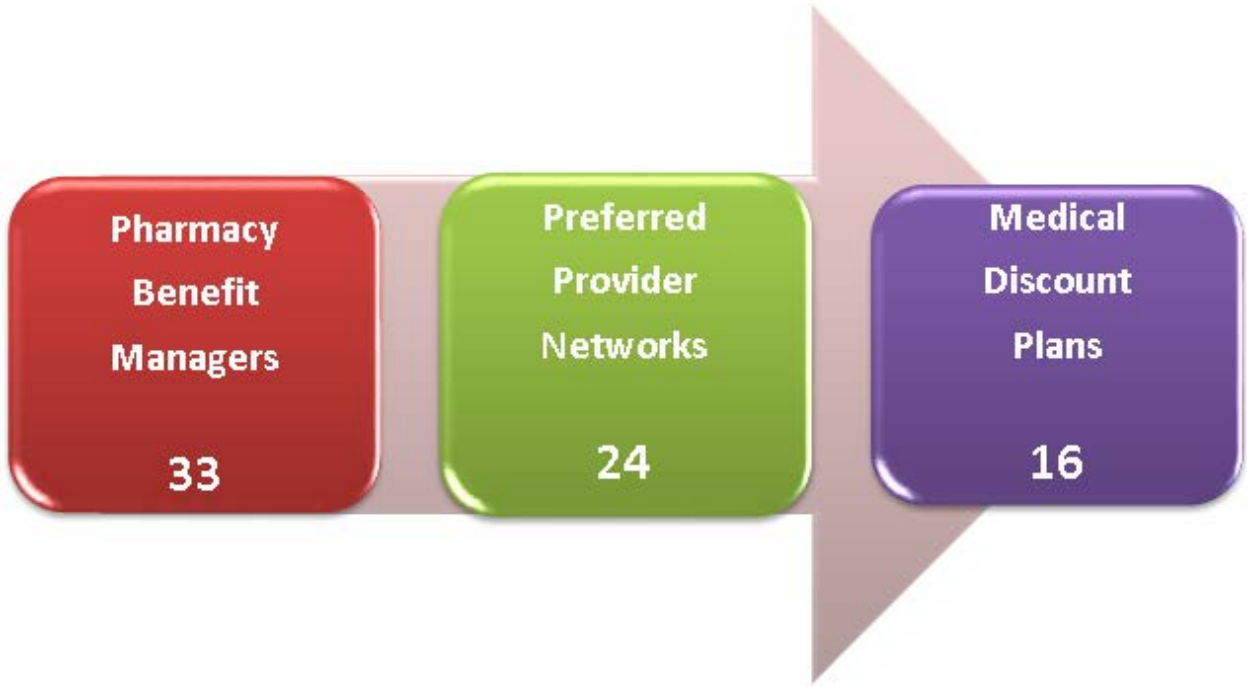
III. Other Licensed Entities

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:



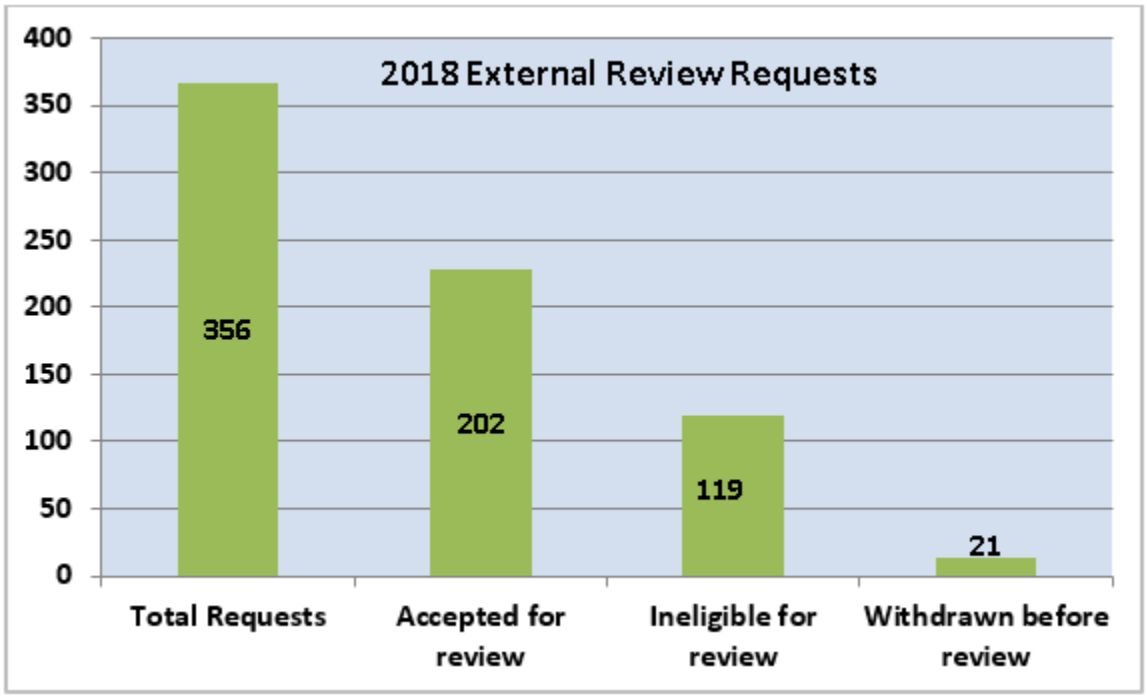
IV. External Appeal Process

Independent Review Organizations (IROs) Licensed in 2018

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, 2018.

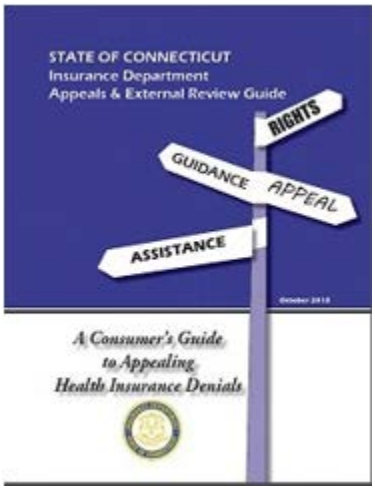
Independent Review Organization	Address
IPRO, Inc.	Lake Success, NY
MAXIMUS Federal Services, Inc.	Reston, VA
National Medical Reviews, Inc.	Southampton, PA

External Review Requests in 2018



External Review Results in 2018

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 2018	Pending
Renewals	46	13
New Licensees	2	2

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 2018 monitoring of UR companies:

Areas most frequently cited in 2018 for improvement:

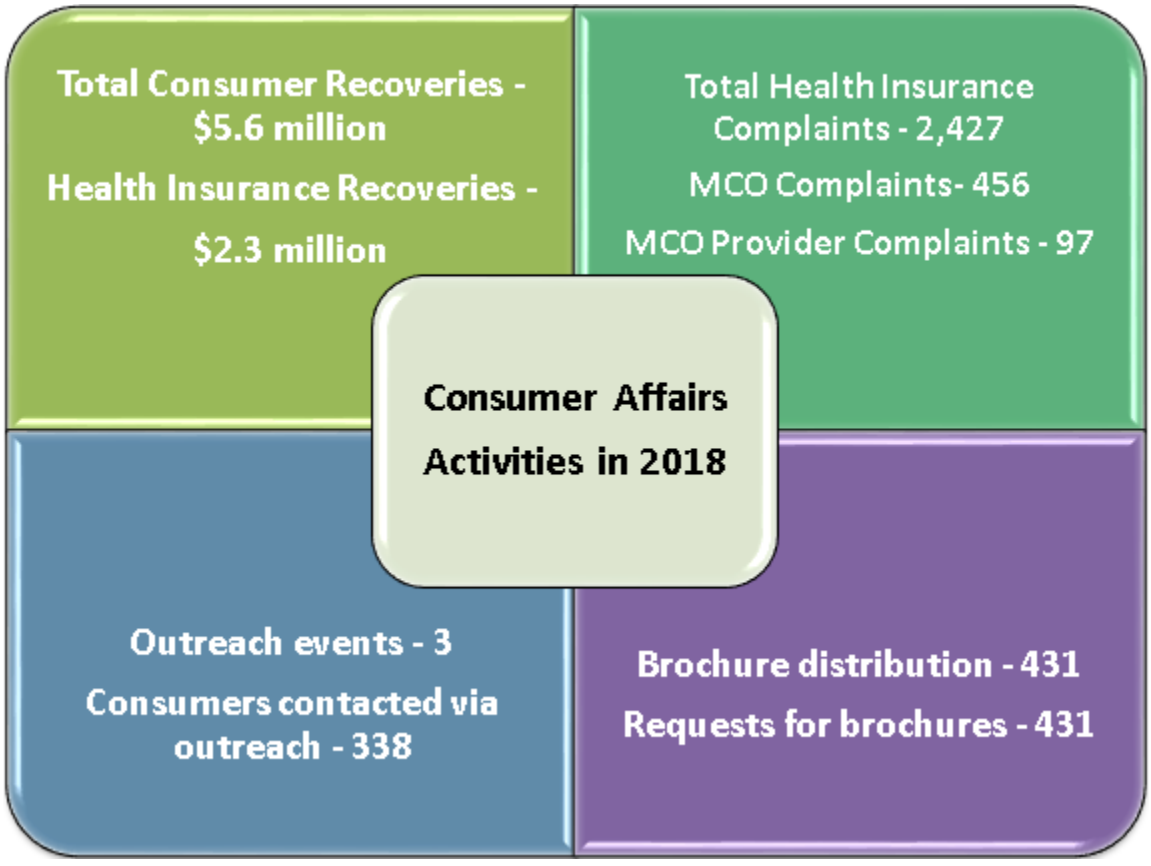
- Failure to maintain proper clinical review criteria on its Internet Web site
- Lack of proper appeal language
- Failure to provide timely appeal responses

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 2018 Activity:



A list of all insurance complaints fielded in 2018 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

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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 2018 edition reflects data from 2017 calendar year.

Among the highlights of the 2018 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 2018 Report Card received just under 14.1 million claims in 2017, a decrease from the 15.3 million claims they received in 2016.

Widely distributed and free of charge, it is posted online, shared through social media and available at outreach events and upon request.

In 2018, 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
- Claims paid 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 Mental Health Services broken down by Levels and Types of Treatment include the following:

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

The UR statistics within the types of service are further broken down by:

- 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 number of members who received:

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

Total number of members who received:

- Any chemical dependency service
- Inpatient chemical dependency services
- Intensive outpatient or partial hospitalization dependency services
- Outpatient or ambulatory medication assisted treatment (MAT) dispensing event
- Emergency department dependency services
- Telehealth services

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

- Percentage of members who had follow-up visit 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 who had a follow-up after emergency department visit for mental health treatment

Follow-up after hospitalization for dependency for members 13 years and older:

- Percentage who had a follow-up after emergency department visit for alcohol or other drug dependence
- Percentage who had initiation and engagement of alcohol and other drug dependence treatment (IET)

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, emergency department visit, intensive outpatient or partial hospitalization setting with a 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)

All 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