



The State of New Hampshire
Insurance Department
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Roger A. Sevigny
Commissioner

Alexander K. Feldvebel
Deputy Commissioner

BULLETIN
Docket No.: INS NO. 06-018-AB

TO: All New Hampshire Licensed Health Insurance Companies, Health Maintenance Organizations, Fraternal Benefit Societies and Third Party Administrators

FROM: Roger A. Sevigny 
Insurance Commissioner

DATE: June 21, 2006

RE: Network Based Hospital Services

Recently, the Department has learned of instances where members covered by a New Hampshire Health Maintenance Organization (hereinafter HMO) have been billed for non-network hospital based services, such as radiology, emergency, laboratory/pathology and anesthesiology services, that were delivered in conjunction with an inpatient or outpatient admission to a network hospital. This practice is prohibited under RSA 420-B:12 (I) (a). Under this statute, evidence of coverage is deemed deceptive, if, based on the evidence of coverage, the subscriber would reasonably expect benefits, services, or charges to be covered that are later deemed by the HMO to be services that are not covered. A member of a health maintenance organization would reasonably expect that when hospital based services are provided at a network hospital, those services would be covered as network services. It is unreasonable to require a member who obtains services at a network hospital to confirm that the actual provider who renders those services is also a member of the carrier's network.

These general principles apply to both HMO and Point of Service (POS) service plans that are sold by a health maintenance organization. By law, a health maintenance organization is authorized to offer "out-of-plan covered services if those services are provided by a point-of-service product on an in-plan basis." RSA 420-B:7 X This statute clearly contemplates that a health maintenance organization must provide a full range of in-plan services to its members as a condition of offering out-of-plan services. Similarly, the provisions of RSA 420-B:8-n, which govern point of service plans, require that a point of service plan "cover out-of-network emergency services as if they had been provided in-network." Taken as a whole, these statutes demonstrate a legislative intent to require a health maintenance organization to provide each of its members with access to a full range of in-plan services when those members are admitted on either an in-patient or an out-patient basis to a network hospital. The Department will consider any provision in a contract that excludes or limits coverage for hospital based services delivered by non-network providers as a prohibited practice under RSA 420-B:12.

Questions should be directed to Leslie J. Ludtke at Leslie.Ludtke@ins.nh.gov.