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NH Insurance Department Releases Results of Substance Use Disorder Examinations
Reports Detail Coverage/Claims Handling Practices for State's 3 Largest Carriers

Concord – New Hampshire Insurance Commissioner Roger Sevigny today made public three “market conduct” examinations focused on the coverage and claims handling practices of the state’s largest insurance carriers, Anthem, Cigna, and Harvard Pilgrim, for substance use disorder (SUD) treatment services during 2015. Commissioner Sevigny declared the exams in November 2015 in response to the state’s opioid crisis, as some providers and patients around the state were pointing to coverage denials and red tape as barriers to addiction treatment.

“Releasing these exam reports is an important step in our ongoing effort to remove obstacles to behavioral health services for Granite Staters with private insurance coverage, including more than 40,000 New Hampshire Health Protection Program members who moved to private coverage through the Premium Assistance Program beginning in 2016,” said Commissioner Sevigny. “The reports give us a baseline understanding of insurance companies’ practices as we work to ensure that they comply with the law, especially with respect to mental health parity and network adequacy.”

The [exam reports](#) reflect a granular, year-long look at the carriers’ handling of SUD claims during the exam period of January to September of 2015, and they reveal a complex picture. The exams reviewed the companies’ delegated service agreements, provider networks, prior authorization practices, grievances and appeals practices, claims and denial volumes, medication-assisted treatment protocols, and adherence to federal mental health parity law. The period of review predates the Premium Assistance Program, or PAP, in which Medicaid Expansion enrollees moved to private coverage in 2016.

In some instances, the exams themselves brought about change. During the 2015 exam period, for example, insurance companies faced a shortage of SUD providers in some parts of the state. In response to examiners’ requests that they outline steps they were taking to address the shortages, companies expanded their networks as more providers became available, putting them in a better position to respond to increased demand for behavioral health services, which have been more broadly covered under private insurance in recent years due to federal requirements under the Affordable Care Act.

The biggest areas of deficiency for all carriers involved their websites – specifically, a consumer’s ability to easily navigate the sites to access accurate information about in-network providers, as well as to obtain copies of the medical management policies and procedures that guide the companies’ decisions about coverage. The NHID has required corrective action to address these problems.

The other strong concern revealed in the reports involves Harvard Pilgrim’s oversight of United Behavioral Health/Optum -- a separate company that handles all behavioral health services for Harvard Pilgrim, including coverage for SUD services -- as well as Harvard Pilgrim’s delays in providing claims handling information (approved/denied rates) in a format that would allow comparison between the three companies being examined. The NHID plans a follow-up exam into UBH/Optum’s practices, to include looking at whether its uniform requirement of prior authorization for behavioral health services is consistent with mental health parity requirements.

Once the NHID has sufficient data to compare the companies’ approved/denied rates, examiners plan to take a more in-depth look, in a subsequent exam, at mental health parity compliance for all carriers,

including for 2016 and 2017 plans in which PAP members are enrolled. This will also include a look at provider reimbursement rates and fee schedules, which the reports address on a preliminary basis.

The reports include promising findings, as well. The NHID hired a pharmacist to review the companies' coverage of medication-assisted treatment, who found only very minor deficiencies. All three companies did a good job of handling internal appeals of claim denials – notifying consumers properly of the basis of decisions and meeting timeliness requirements in all appeals during the time period being reviewed. As reported as part of the NHID's [preliminary findings](#) last February, the examiners took a close look at the carriers' prior authorization practices with respect to inpatient SUD treatment services, reviewing every claim that was subject to prior authorization during the exam period and hiring independent medical experts to assess the appropriateness of the companies' policies, as well as the validity of service denials that were based on a finding that the service was not medically necessary. The NHID's experts agreed with the carriers' decisions in over 80% of these cases, and even in cases where there was disagreement, most consumers did access services at a lesser level of care. In addition, all three carriers were using protocols that were consistent with American Society of Addiction Medicine criteria, a legal requirement that took effect in 2017.

"I am heartened to see coverage for behavioral health services improving over time in many areas," said Commissioner Sevigny, noting that continued state regulatory oversight is critically important as insurance companies adjust to the ballooning number of people accessing SUD treatment services through private coverage. "As regulators, we can oversee these companies' conduct only if we receive full and accurate information in a timely fashion during the examination process. This is our opportunity to see how consumers are actually being treated by their insurance company."

The Insurance Department's examiners completed their work on the exam reports in late October. Afterwards, the Department had several months of back and forth with the companies, a process that is laid out in state [statute](#) and allows examined companies the right to respond, to object to findings, and to request a meeting with the department to discuss the findings. Insurance Department examiners also continued to try to work with Harvard Pilgrim during this time to receive claims handling information in a format that would allow an apples-to-apples comparison of the companies' denial rates.

As required by the [law](#) authorizing the exams, a separate exam report was issued for each company: Cigna; Anthem; and Harvard Pilgrim. These [reports](#), and the accompanying orders, detail the scope and purpose of the exam, the legal standards at issue, and the examiners' specific findings.

To learn more about the Insurance Department's efforts to address substance use and behavioral health coverage issues, please visit the website: <https://www.nh.gov/insurance/consumers/substance-use-disorder-coverage.htm>

The New Hampshire Insurance Department Can Help

Contact us with any questions or concerns you may have regarding your insurance coverage at 1-800-852-3416 or (603) 271-1406, or by email at consumerservices@ins.nh.gov. If you wish to file a grievance, you may call, email, or submit a complaint electronically or by mail or fax: <http://www.nh.gov/insurance/consumers/complaints.htm>.