

Network Adequacy: Balancing Cost and Access

New Hampshire Insurance Department
April 23, 2014





Network Adequacy Work Group

- Organizational Meeting – April 23rd
 - Rulemaking process
 - Internal Discussions, with a review of comments
 - Proposed changes, draft language with comment period
 - Formal Rulemaking, notice & comment period
 - *See full agenda for more information*



Network Adequacy

- RSA 420-J:7 - Network Adequacy
 - A health carrier shall maintain a network that is sufficient in numbers, types, and geographic location of providers to ensure that all services to covered persons will be accessible without unreasonable delay.

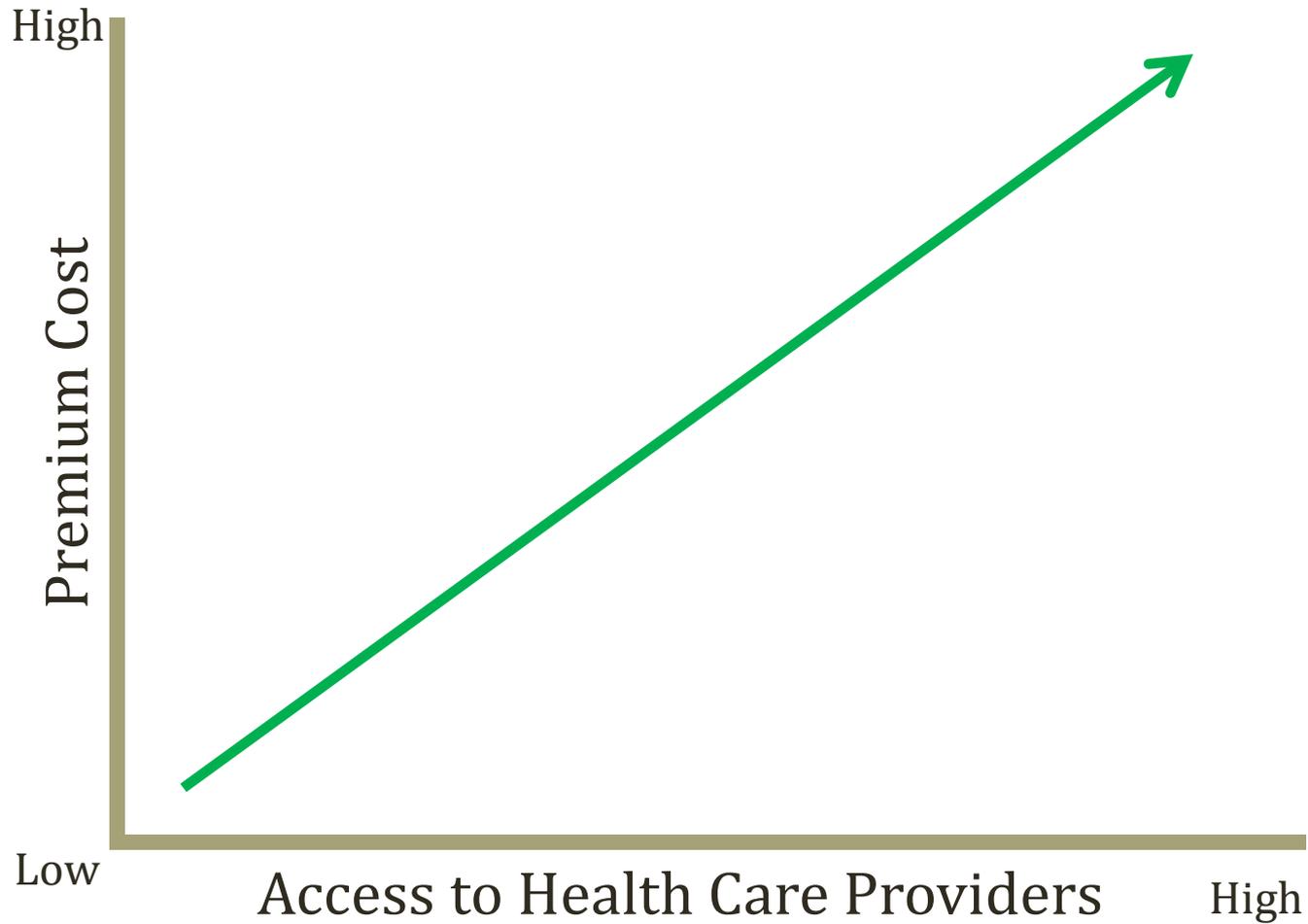


Working With the Public

- The Department's network adequacy regulation was developed with a working group in 2001
- The group included consumer representatives, hospitals, community clinics, physicians, nurses, and mental health providers, as well as all the major health carriers.
- As the insurance landscape in New Hampshire evolves, the Department will reexamine and revise the rules to reflect the changing healthcare environment and the new populations of insured individuals.



Cost versus Access





Balancing Cost versus Consumer Preferences

- Influence through competition
 - Consumer chooses “best” health insurance company/product
- Control through government regulation
 - Legislature acts as the decision maker
 - NH Insurance Department implements requirements (Department’s authority is limited)



Network Adequacy Considerations

- Balance of cost, access, and quality
 - Develop objective standards
 - Encourage insurance company competition (Let people buy what they want)
- Recognize that consumer preferences vary
- Identify how the health care system is evolving
 - Movement of traditional “hospital” services
 - Specialized health care at Centers of Excellence
 - Primary care from Nurse Practitioners and walk-in clinics
 - Telemedicine



Additional Network Considerations

- Reasonable travel expectations for a commercially insured population
 - May differ for Medicare or Medicaid populations
- Population distribution, density, and demographics
- Health care provider supply and capacity to add patients
 - Travel times
 - Ratio of providers to patients (open panel?)
 - Length of time before appointment?
- Mix of health care providers
 - Doctors, NPs, hospitals, urgent care centers, ambulatory surgery centers



Rules – Basic Access

- **Basic Access Requirement: Ins 2701.04**
 - Network of primary care providers, specialists, institutional providers, and other health care personnel that is sufficient in numbers, types and geographic location of providers to ensure that all covered health care services are accessible to covered persons without unreasonable delay
- **Objective Standard**: Network sufficient to meet the basic access requirement if it meets the standards in the rules



Existing Review Process

Action

Accessibility Standards

Information Reviewed

Issuer Applies to offer QHP in New Hampshire

Network Adequacy Report Submitted to NHID

Data Collected (per plan):

- Enrollees by county
- List of provider network
- GeoAccess network maps
- Referral procedures
- Ongoing network oversight processes
- ECP outreach strategy
- Contract termination procedures

If report identifies noncompliance with these standards, the Department issues an order requiring the carrier to take corrective action.

Access to Coverage

INS 2701.07

Standards for waiting times for appointments and access to after-hours care

Wait Times for Appointments

- Measured from initial request for appointment
- Must meet NCQA standards

Prior Authorizations

- Prior authorization decision timeline meet NCQA/URAQ standards

Time & Distance

INS 2701.06

Services available for "at least 90 percent of the enrolled population within each county or hospital service area"

15 Miles (or)
40 Minutes

- 2 Open panel PCPs
- 1 Pharmacy (45 Minutes)

25 Miles (or)
45 Minutes

- Outpatient mental health services

45 Miles (or)
60 Minutes

- Medical & surgical services
- Laboratory/imaging
- Licensed renal dialysis
- Short-term mental health

80 Miles (or)
120 Minutes

- Diagnostic cardiac catheterization
- Major trauma event
- Neonatal intensive care
- Open heart surgery services



Not in Rules

- Due to constraint in legal authority, Rules do not require
 - Contracting with any particular provider
 - That any particular patient have access to any particular provider
- Intent is to allow carriers to compete on the basis of their networks, if minimum standards are met.



Affordable Care Act

- Past: ACA network adequacy language similar to NH language, so state standard used
- Big change: Network adequacy reviews would be conducted up front, not just after-the-fact through market conduct
 - Inclusion of Essential Community Providers (ECPs)



Medicaid expansion

Potential further alignment of network adequacy standards for Medicaid MCO's and QHP's could be considered around the following areas;

- Geographic Access: Expand the population of enrollees with closer to 100% access
- Waiting Time Standards: Adding this MCO component to commercial health plan network adequacy standards
- Access to out-of-network providers
- Provider Directories: Additional language indicating not only if a provider has an open/closed practice but also a designation of whether they are a Medicaid participating provider



Other States

The ACA has spurred innovation around the regulation of Network Adequacy, for example other states have done the following:

- Required health plans to offer tiered or limited networks priced 12% below their broad network products
- Allowed the filing of multiple networks for their products, encouraging variety of offering based on the geographic counties, and plan offering types
- Passage of Any Willing Provider statutes
- Legal action to require modification of plan network arrangements
- Used payment reform efforts to move toward innovation delivery systems, such as Patient Centered Medical Homes



Carrier Accreditation

In addition to federal and state regulation, QHP certification requires health insurance issuers are accredited by approved entities (URAC, NCQA.) The accreditation process includes network adequacy review, in particular around the following areas;

- Demographic & Census Data to create composite population
- Number of providers with a set time/distance standard
- Consumer wait times for urgent, emergency and routine care
- Hours of operation
- Steps taken to ensure sufficient providers for members
- Quality reporting, and performance measurements



Public Comments Received

- Public comments received from:
 - AHIP
 - NH Representative
 - Consumer
 - Bi-State Primary Care
 - NHFPI
 - NH Voices for Health
 - NHHA
 - SNHMC
 - NEW HAMPSHIRE PSYCHOLOGICAL ASSOCIATION



Key Comments

Access issues:

- *Ensure access to mental health services*
- *Address access to out-of-network providers*
- *Require adequate access for all enrollees (not just 90%)*
- *Strengthen time and distance standards and base these on actual driving routes*
- *Improve access during non-business hours*
- *Improve access to all required services (dental, pediatric)*
- *Strengthen access for all populations, regardless of benefit design, with consideration for geography*
- *Ensure low-income populations have access to local hospital services*

Continuity of Care:

- *Strengthen continuity-of-care requirements*
- *Align requirements with Medicaid managed care, for example*
- *Preventive care office visits available within 30 days*
- *Transitional home care within 2 days of discharge*



Key Comments (cont.)

- *Apply any willing provider contract requirements for FQHC*
- *Improve access to ECPs*

Additional considerations for special needs populations: *Improve access for “gap” or border communities*

- *Protect vulnerable populations*
- *Access for people with disabilities*
- *Protect under-served counties, and all patients*
- *Consider using regional economic statistics as one way to better recognize and define NH's regional needs.*
- *Access for those living in medically underserved areas who are less affluent*
- *An ECP hospital should be included in every New Hampshire market*



Key Comments (cont.)

Payment and delivery reforms

- *Structure requirements so that networks can focus on high value providers, telemedicine, use of urgent care centers, and value-based purchasing*

Transparency:

- *Insurers should identify the providers in their networks who have open panels.*



Discussion



Next Steps

Working Group & Rule Revision

In the coming months, the Department plans to review comments, and have internal policy discussions prior to the issuance of draft language.

In addition to internal discussions, the Department will do the following;

- Disseminate information via email to interested stakeholders, including highlights from today's meeting in order to foster communication
- Strategize the workgroup structure, and begin to schedule workgroup sessions
- Distribute policy decisions or language revisions as they become available
- Continue to monitor state and federal law for possible policy implications