**Testimony of Victoria Veltri**
**State Healthcare Advocate**
**Before the Insurance and Real Estate Committee**
**In support of HB 6867**
**March 3, 2015**

Good afternoon, Representative Megna, Senator Crisco, Senator Kelly, Representative Sampson, and members of the Insurance and Real Estate Committee. For the record, I am Vicki Veltri, State Healthcare Advocate with the Office Healthcare Advocate ("OHA"). OHA is an independent state agency with a three-fold mission: assuring managed care consumers have access to medically necessary healthcare; educating consumers about their rights and responsibilities under health insurance plans; and, informing you of problems consumers are facing in accessing care and proposing solutions to those problems.

I appreciate the opportunity to support House Bill 6867, An Act Concerning Healthcare Provider Network Adequacy. With tens of thousands of newly insured individuals entering the commercial healthcare marketplace, it becomes more critical than ever that plans maintain provider networks that are adequate to meet the needs of its members.

HB 6867 amends existing statute by increasing the transparency of the network review process and emphasizing the importance that consumers have timely, as well as

geographically and clinically appropriate access to medical providers and, should a network be found lacking, provide opportunity and direction for health plans to correct any identified deficits. As in other states that have adopted network adequacy standards, statutory standards provide clarity for consumers and insurers plans, and ensure that these plans will be operating under transparent and uniform standards that do not leave consumers at a disadvantage when purchasing a product. The standards in this bill are not so rigid as to not allow for innovation in networks and products but instead serve to promote equitable and transparent disclosure of one of the most critical elements in the plan selection process.

Accurate listing of health plan networks is important not only for those already insured, but also for those seeking alternate coverage, so that consumers can make reasonably informed decisions concerning their healthcare choices based on transparent, accurate and intuitive information. Current law does not require transparency of network adequacy standards, but instead only requires the submission of verification of URAC or NCQA accreditation, which does nothing to directly evaluate a plan's network.

An assurance through accreditation that networks are adequate is insufficient without accompanying transparency of those standards and monitoring of the networks. In cases where our office believes that a network doesn't provide adequate provider access, we evaluate whether the plan should cover the service as in network. However, the research it takes to prove that the network is inadequate, or conversely, that it is adequate, is difficult without an understanding of the network standards and some assurance that there is transparent and ongoing monitoring to assure that provider panels are not closed.

HB 6867 creates explicit authority for enforcing network adequacy, but is not so inflexible as to not allow for innovations in network development. That consumers will have access to an adequate network is fundamental to the decision-making process in the selection of an insurance plan. The fact that a consumer may have a health plan that allows them to receive services from out of network providers should not mitigate the requirement and expectation that there are available providers, in-network, from which consumers can

receive the services that they are entitled to under their plan. Out of network services have a much higher cost share associated with them, in addition to the fact that consumers are liable for the full charges for these providers' services.

Given the landscape today with changing networks, transparency of network adequacy is critical not just in the number, but also in quality. The state should not be in a position of endorsing plans to provide virtually no notice or demonstration to consumers of network adequacy when plans decide to trim networks or when they offer their products. As we learned previously, it's not the number of providers in a network that is paramount, it is accessibility that matters most. Transparency to insurers concerning expectations of provider participation is also a critical component of trust in the network and value to consumers. While each consumer's clinical needs and utilization will be distinct, and their idea of an adequate network may be specific to their medical condition or town, without clear expectations concerning what does constitute an adequate network, how can consumers effectively

OHA is happy to participate in any discussions to finalize language on this bill that would provide consumers with the assurance that network adequacy is monitored on a regular basis.

As the agency whose only mission is healthcare advocacy for Connecticut's consumers' healthcare needs, I thank you for providing me the opportunity to deliver OHA's testimony today. If you have any questions concerning my testimony, please feel free to contact me at victoria.veltri@ct.gov.