Legislative Briefing

OHA Health Policy Action

Your guide to proposed health legislation, what we think about it, and what we're doing about it.

March 2013

H.B. No. 6517; *An Act Implementing The Recommendations Of The Legislative Program Review And Investigations Committee Concerning The Insurance Department's Duties, Mental Health Parity Compliance Checks And The External Review Application Process*

What is this bill about?

H.B. 6517 will implement the recommendations of the Legislative Program Review and Investigations Committee concerning the Insurance Department.

Currently, CID receives a significant amount of utilization review data from insurers, and by directing CID to more thoroughly assess statistically significant differences among carriers in this data, trends indicating non-compliance with applicable law may be identified and addressed early and appropriate remedies imposed.

The additional requirement that CID promulgate and disclose a uniform methodology for assessing insurer compliance with state and federal parity laws enhances its mission to oversee and regulate the industry in a fair and efficient manner. This increase in the transparency and inclusiveness of CID's regulatory oversight of health insurers, coupled with the requirement that consumers and stakeholders have an opportunity to comment on concerns about insurer practices, improves CID's ability to carry out its mission in a more equitable, inclusive and comprehensive manner.

The requirement that consumers provide a final internal adverse determination letter as well as a copy of their insurance identification card is unnecessarily duplicative. The basis for this requirement is to verify enrollment and to provide the independent reviewer with the specific rational used in the final adverse determination. However, the insurer provides the entire file to the reviewer as a part of the process, including either the letter or insurance card would be adequate confirmation of enrollment.

What are the implications of this bill for healthcare consumer advocacy?

By identifying this access point for consumers and targeting a concise message, they can easily and efficiently receive practical notice of all resources available to them.

Talking Points

1. OHA is aware of this proposed legislation and submitted written public testimony **in support** of this bill.
2. The recommendations H.B. No. 6517 that CID explore with HHS opportunities to decrease the complexity for consumers filing external appeals represents a simple, common sense measure. .
3. OHA supports this legislation based on the principles of access to quality healthcare, evidence-based improvements to our healthcare system, and consumer maximization of value for their health insurance.

OHA represents the collective voice of 3.5 million healthcare consumers. For our state to be competitive, our people must be healthy. Our mission is to • assure managed care consumers have access to medically necessary healthcare • educate consumers about their rights and responsibilities under health insurance plans • inform legislators of problems consumers face in accessing care and propose solutions to those problems.

Please refer all media, agency, and legislator inquiries to Vicki Veltri