OFFICE OF THE HEALTHCARE ADVOCATE

2007 ANNUAL REPORT

Office of the Healthcare Advocate

Now you'll be heard.

A MESSAGE FROM KEVIN LEMBO

I am pleased to issue this 2007 Annual Report on the activity of the Office of the Healthcare Advocate. We have changed our annual report format to include two consumer stories and photographs of some others we have helped.

The Office of the Healthcare Advocate was created by the General Assembly in 1999 as part of the larger Managed Care Accountability Act. Since that time, we have worked with thousands of policyholders, patients and families to explain their rights and responsibilities in a health plan, and to advocate for patients when they are denied treatment or reimbursement by their health insurance company

The office also focuses on assisting consumers to make informed decisions when selecting a health plan; and, identifying issues, trends and problems that may require executive, regulatory or legislative intervention. It is my hope that the information provided in this report will inform the community on our activity, and empower Connecticut residents to become more informed consumers and effective self-advocates. Look for our new seasonal newsletter that will be posted on our website and circulated electronically. The newsletter will give timely information about consumer rights in health insurance, as well as updates on legislative, consumer and industry activities. Your feedback and suggestions are welcome as we take on this new challenge.

If you have a specific question, or feel you have been unfairly denied care by your health insurance company, please contact us at 1-866-466-4446 or healthcare.advocate@ct.gov.

STAFF PHOTOGRAPH

Your team at the Office of Healthcare Advocate. Back row (left to right): Kevin Lembo, Vanessa Wimberly, Lucille Taylor, Candice Kohn, Maureen Smith, Front row (left to right): Victoria Veltri, Darlene West.

Even babies can run into problems with coverage for their healthcare needs. These gorgeous twins came into the world prematurely and a portion of their medically necessary hospital coverage was denied. Our staff stepped in and the denials were overturned.

CONSUMER AFFAIRS

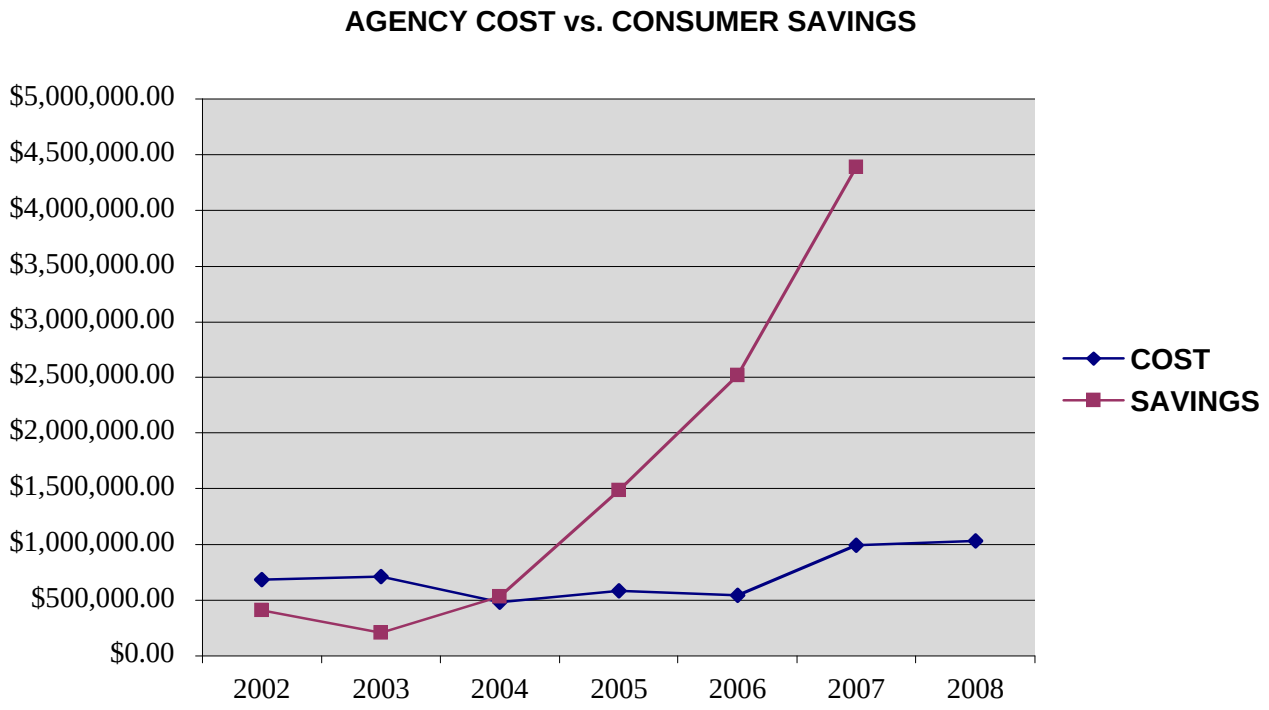
TOTAL COMPLAINTS *2001 thru 2007*	
YEAR	NUMBER OF COMPLAINTS PROCESSED
2007	1,988
2006	2,019
2005	1,597
2004	1,586
2003	1,083
2002	723
2001	800

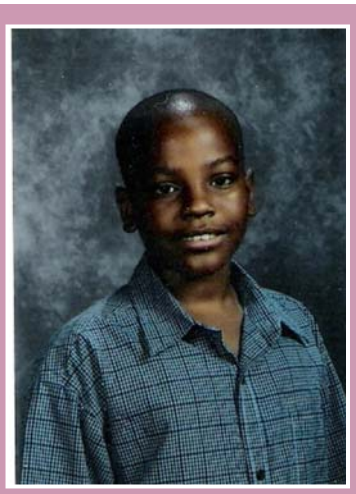
Complaints fall into a few major issue categories:

COMPLAINTS BY ISSUE *(General)*			
	2005	**2006**	**2007**
Treatment/Service Denied, Covered	20.5%	17.4%	15.7%
Problems with Benefit Design	7.3%	4.7%	3.3%
Billing Problem	10.1%	8.1%	9.4%
Treatment/Service Denied, Not Covered	6%	4.5%	3.5%
Education/Counseling (Patient)	9%	8%	7.9%
Enrollment/Eligibility Questions	8.5%	10%	8%
Claim Denied (Provider)	4.8%	5%	5.2%
Poor Customer Service	3%	3.2%	2.4%

OHA: A Good Investment

	COST *(i.e., budget)*	**SAVINGS**	**FOR EVERY OPERATING DOLLAR, WE RETURN X DOLLARS TO CONSUMERS**
2002	$686,253.00	$410,294.00	0.60
2003	$709,271.00	$205,665.00	0.29
2004	$479,328.00	$531,823.00	1.11
2005	$581,414.00	$1,487,895.00	2.56
2006	$544,672.00	$2,514,825.00	4.62
2007	$993,119.00	$4,391,353.00	4.42
2008	$1,032,611.00		0.00





This young boy was hospitalized with a serious illness. After discharge, a collection agency sent bills for his hospital visit to his mom. OHA intervened, straightening out the situation by getting the visit covered by his insurance plan.

LEGISLATIVE SUMMARY 2007 – ANNUAL REPORT

OHA proposed two major pieces of legislation that passed unanimously in the 2007 legislative session. Senator Joe Crisco and Representative Brian O'Connor shepherded the legislation, Public Act 07-75, *An Act Concerning Medical Necessity and External Appeals* and Public Act 07-113, *An Act Concerning Postclaims Underwriting*, from the committee level through to the Governor's signature.

P.A. 07-75 creates a legal definition of medical necessity. The Act was a joint effort by OHA and the Office of the Attorney General to prevent wrongful denials of requested services, treatments, prescriptions and medical equipment that result in lack of access to care. P.A. 07-75 should create consistency for consumers across health plans. It also allows consumers sixty days to appeal a denial to the Insurance Department.

P.A. 07-113 prevents a health insurer from rescinding, cancelling, or limiting a health insurance policy based on a patient's misrepresentation on the insurance application or omissions from the application *unless* the insurer proves that the misrepresentation was false or that information was knowingly omitted, AND that the misrepresentation or omission is material. Through a joint legislative effort of OHA, the Insurance Department, and the Office of the Attorney General, P.A. 07-113 is the strongest legislation in the country and substantially deters abuses by insurers in the areas of pre-existing conditions and rescissions.

OHA also supported a number of other important bills with content ranging from pharmaceutical gift reporting to medical loss ratios, and freedom of information to physician contracting. We testified at several informational forums on health care sponsored by various committees. We appeared in front of the following committees during the session: Insurance and Real Estate, Public Health, Government Administration and Elections, Human Services, Labor and Public Employees, Children's, and Appropriations.

OHA advocated for and gratefully received funding in the 2008-09 biennial budget for two additional positions. OHA needed the additional staffing to help with the increasing complexity and number of cases that OHA receives. We are happy to report that all positions have been filled. The 2007 session was a tremendously successful legislative session for OHA and health insurance consumers statewide.

The complexities of the managed care system and navigating those complexities may require additional legislation to simplify the process and to protect consumers from barriers preventing access to care.

Prescription drug access remains one of the biggest problems we see at OHA. The daughter and mom pictured here faced a fight with their insurance company for ongoing coverage of a specific medication for the daughter's Lyme disease. OHA contacted the insurer and was able to get the insurer to agree that the medication was covered under the daughter's medical plan and that it would be covered on an ongoing basis.

MENTAL HEALTH PARITY WORK GROUP

The Mental Health Parity Work Group includes mental health providers, insurance companies, consumers, advocates, business representatives and government agencies.

The Work Group provides a forum in which participates can question and streamline business processes, work out disputes and build better working relationships between patient/provider and insurance companies around the areas of emphasis outlined in PA05-280.

The following U.S. Senate bill, S. 558, was passed as a result of the efforts of only a handful of advocates across the country working tirelessly for changes in the federal regulation regarding mental health. Among these advocates was Victoria Veltri, General Counsel for the OHA.

OHA used its expertise to help stave off federal mental health parity legislation in the U.S. Senate that would have pre-empted Connecticut's strong mental health parity. OHA staff and Senator Dodd's office, working with U.S. Senators, attorneys general and consumer advocates from states with strong mental health parity laws, successfully persuaded Senators from other states, insurers, and business groups to drop the preemption language from the Senate bill. As a result, the bill passed the Senate by unanimous consent this past fall. A compromise bill with the U.S. House is still under discussion.

For more information see Senator Dodd's comments in the Congressional Record:

http://www.govtrack.us/congress/record.xpd?id=110-s20070918-53&person=300036

MEET SOME OF OUR CLIENTS

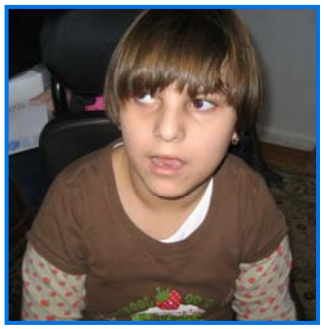
L was diagnosed with of cancer of the jaw. He has a fully-insured health insurance policy with a major managed care company in Connecticut. Complicating L's diagnosis were recurrent problems in getting his insurance company to pay for treatment, partly because of L's use of out-of-state providers of cancer care and differences in billing claims. That left the cancer centers and the managed care company on opposite sides, battling over the claims, leaving L in the middle with his wife, exposed to thousands of dollars in medical bills.

One of several issues in L's case was his insurer's denial of payment of cancer care outpatient services called "clinic visits" by the cancer center. Care in a clinic is excluded from coverage under L's insurance policy. As L's wife says, "It seems that there is always one more thing to deal with." OHA was able to deal with the "one more thing" in this case. By contacting the cancer center, and getting a copy of the clinical notes. OHA was able to demonstrate that this was not care in a "clinic", but rather the office practice of this institution, and indeed eligible for benefits. The claim denials were overturned, saving L and his family a significant amount of money.

The OHA can help to open the doors of communication between families, providers and insurance companies, to resolve differences in language, and simplify the approval process when treatment plans or providers require change. "I don't know what I would do without you [OHA]. You have taken some of the stress off of me. It was a comfort to know I could send you something, and you would help."

AB is a wheelchair bound 12-year-old girl with spastic cerebral palsy. She lives with her family in a two-story apartment. Her bedroom and the one bathroom in this apartment are located on the second floor. AB's parents have been carrying her up and down thirteen steep steps in order to provide care for her as well as have her attend school. Her physical therapist discussed the need for a stair lift with both AB's parents and her pediatrician. AB weighs 85 pounds and carrying her up and down the steps was posing a safety risk.

The insurance company denied the installation of the chair lift on the grounds that it was not "medically necessary". AB's physical therapist and her parents contacted OHA. OHA appealed the denial on their behalf and was successful in reversing the insurance company's decision. The installation of the stair lift has not only made caring for AB much easier, it has also made it safer.



While AB's stair lift is a medically necessary piece of equipment, it is also a source of enjoyment for AB when she comes home from school to ride the stair lift in order to reach the upstairs bathroom.

MISSION

The mission of the Office of the Healthcare Advocate is to assist consumers with healthcare issues through the establishment of effective outreach programs and the development of communications related to consumer rights and responsibilities as members of managed care plans. The office focuses on assisting consumers to make informed decisions when selecting a health plan; assisting consumers to resolve problems with their health insurance plans; and, identifying issues, trends and problems that may require executive, regulatory or legislative intervention.

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