HEALTH CARE PROVIDERS: KNOW YOUR PATIENTS' RIGHTS

YOU PLAY AN IMPORTANT ROLE IN HELPING PATIENTS GET TIMELY ACCESS TO TESTS AND TREATMENTS

WHAT YOU NEED TO KNOW

Health insurance practices to control costs often delay or deny patient care, increase administrative expenses, and hold up payments to providers.

3 COMMON INSURANCE ROADBLOCKS

- **Nonmedical Switching** – insurers force stable patients to take a different drug, either by changing the formulary or increasing patient costs
- **Prior Authorization** – the patient or provider must get approval before the plan will pay for the test or treatment
- **Step Therapy** – patients must try and "fail" on less expensive treatments before the plan will cover the one prescribed

CONSEQUENCES FOR PATIENTS

- Prolonged pain and disability
- Worsening of a chronic condition
- Hospitalizations and readmissions
- Less trust in provider's decisions

IMPACTS ON PROVIDERS

2018 SURVEY OF PRIMARY CARE PHYSICIANS[1]

- **85%** Say insurers compromise patients' health
- **77%** Hired more staff to handle insurance matters
- **75%** Report that insurers do not honor their commitments to pay for treatment
- **65%** Say they face legal risks from insurers' decisions

LAWS THAT PROTECT PROVIDERS

- **Prompt Payment Laws**
  State laws require insurers to pay providers' claims within a certain period. Insurers that do not comply face penalties.
- **Contract Law**
  Insurers must follow the terms of managed care contracts, including paying claims, or risk breaching the contract.
- **Breach of Duty of Good Faith and Fair Dealing**
  An insurer that unfairly frustrates a provider's right to receive the benefits of an agreement may be in breach of the contractual requirement of good faith and fair dealing.
- **Intentional Interference with the Provider-Patient Relationship**
  A provider can make a successful intentional interference claim by showing that the insurer purposely interfered in the provider-patient relationship and harmed the provider.

[1] Conducted by David Binder Research, the survey polled 600 primary care physicians in the U.S. between February 25 and March 2, 2018. Visit http://www.aimedalliance.org/providerperceptionssurvey for more findings.

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HOW TO HELP PATIENTS

IF AN INSURER DENIES COVERAGE FOR A TREATMENT OR SERVICE YOU PRESCRIBED, YOU OR YOUR STAFF CAN INFORM THE PATIENT ABOUT HOW TO APPEAL.

THESE ARE THE STEPS PATIENTS CAN TAKE TO CONTEST A COVERAGE DENIAL:

File an Appeal Directly with the Insurance Company

Let your patient know he or she has the right to ask the insurer to review its decision. A 2011 Government Accountability Office (GAO) report estimates that insurers reverse their adverse coverage decisions between 39 and 59 percent of the time when patients file an internal appeal.

Take the Appeal to an Independent Third Party for "External Review"

If the health plan denies the patient's formal appeal or if the patient's medical situation is urgent and waiting would jeopardize the person's life or ability to function, then the patient is entitled to take his or her appeal to an independent third party for an "external review."

File a Complaint with the State Insurance Commissioner or Attorney General

If there are still problems after the external review process, the patient can file a complaint with the state insurance commissioner or attorney general. According to the GAO, insurers reverse their adverse coverage decisions up to 54 percent of the time when patients file complaints with the state insurance commissioner.

Citations and more information about appeals processes are available at www.coveragerights.org/providers.

OTHER WAYS YOU CAN HELP

IF YOUR PATIENTS CANNOT ACCESS TIMELY CARE DUE TO INSURANCE ROADBLOCKS, YOU CAN SUPPORT THEM BY:

- Recommending patients contact the media to report bad behavior by insurers. Often times, negative publicity will result in a positive appeal determination.
- Urging your elected federal and state lawmakers to pass legislation that streamlines insurers' benefit utilization management policies, decreases unnecessary administrative expenses, and requires insurers to provide greater plan transparency.*
- Joining professional associations' and advocacy groups' policy efforts to remove restrictive health insurance barriers and reduce administrative expenses.
- Encouraging patients, caregivers, and family members to share their insurance experiences with organizations dedicated to improving patient access to health care.

*Visit www.AimedAlliance.org to track state legislative efforts.

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