

NEW REGULATIONS ISSUED AROUND PROVIDER DIRECTORY ACCURACY

What Health Insurance Marketplaces, Medicare Plans and Commercial Insurers Need to Know

Overview

Published on February 20, 2015, 42 CFR Section 422.111(b)(3)(i); 422.112 (a)(1) states that Medicare Advantage plans, Qualified Health Plans (QHP) and Stand-Alone Dental Plans (SADP) offered through the Federal exchange need to have up-to-date and accurate provider directories in order to demonstrate provider network adequacy. The goals of this new regulation include providing current and accurate information on in-network providers so consumers don't mistakenly visit out-of-network providers or providers no longer in practice. Doing so can result in consumers being hit with higher out-of-network bills.

The problem with provider data

Provider data is changing all the time. Analysis of LexisNexis® provider data has shown that 2.4 percent of provider demographics change each month; 30 percent of doctors change their affiliations each year; and 5 percent of doctors change their status each year. If a health care organization were to update its provider information today—within 18 months, 50 percent would be outdated.

The reasons for this are many, including human error, data integration challenges across data sources and organizational silos, and resource

limitations which make it difficult to check the necessary sources on a regular basis for validation.

What's difficult about maintaining a provider directory?

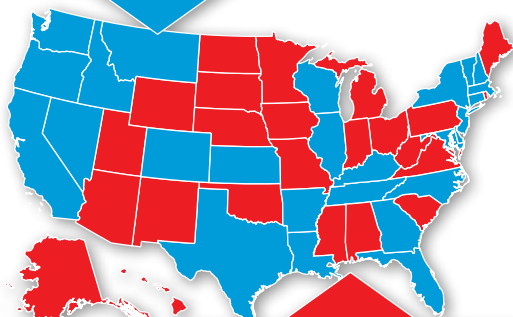
It's difficult to get providers to report their status changes in a timely manner, and plans have to maintain the status of many thousands of provider identities—not a core competency. The Centers for Medicare & Medicaid Services (CMS) has expressed specific concern around the data accuracy of providers falling into the following groups: hospital systems, mental health, oncology, PCPs, and dental providers, if applicable.

The following excerpt was taken directly from the *Final Letter to Issuers in the Federally-facilitated Marketplaces* further detailing the expectations of this new regulation: "Specifically, a QHP issuer must publish an up-to-date, accurate, and complete provider directory, including information on which providers are accepting new patients, the provider's location, contact information, specialty, medical group, and any institutional affiliations, in a manner that is easily accessible to plan enrollees, prospective enrollees, the State, the FFM, HHS, and OPM."

Market approach to date

States and health plans alike have taken various approaches to meet the latest requirements. The NAIC surveyed the Department of Insurance in all 50 states and found the following:

26 states specify that updates are necessary either on a monthly, quarterly or annual basis in oversight language¹



24 states do not specify frequency in current oversight language¹

Inaccuracies in the Medicare Advantage directories may trigger penalties of up to

\$25,000/day/beneficiary

or bans on new enrollment and marketing²

The federal exchange plans could face penalties of up to

\$100/day/beneficiary

for problems in their directories²

What do the rules require in order to assess the true availability of contracted providers?

- At least quarterly updates on provider availability and if they are accepting new patients.
- Contracted providers must inform the plan of any changes to address, phone, office hours, or other changes that affect availability.
- Implement a process to address complaints/inquiries related to denied access at a provider, including making changes to the online directory.
- Update online directories in real-time.
- Provide information on providers that are available to new patients/enrollees.

For more information on the legislation visit:

<http://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Downloads/Advance2016.pdf> (page 134 of 172).

For more information on how LexisNexis can alleviate the burden of maintaining provider directory accuracy, call 866.396.7703.



¹ White Paper - Provider Directories: Litigation, Regulatory, and Operational Challenges. Berkeley Research Group. March 2015. http://www.thinkbgr.com/media/publication/579_Hoyt_DirectoryWhitePaper_032015_WEB.pdf

² Kaiser Health News, March 9, 2015 <http://khn.org/news/health-exchange-medicare-advantage-plans-must-keep-updated-doctor-directories-in-2016/>