

Arkansas Insurance Department

Mike Beebe
Governor



Jay Bradford
Commissioner

NEWS RELEASE

FOR IMMEDIATE RELEASE

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Insurance Department Issues Rule on External Review

LITTLE ROCK, ARKANSAS (December 9, 2011) — Commissioner Jay Bradford has announced the Arkansas Insurance Department has adopted Rule 76 which governs external reviews or appeals of adverse benefit decisions made by health insurers and Health Maintenance Organizations (HMOs) in health insurance claims. This new rule replaces and updates a former rule by the same name. The rule increases a consumer's right to appeal adverse benefit decisions made by health insurers and is a requirement under the Affordable Care Act (ACA).

Under Rule 76, health insurance consumers are permitted to have an independent review organization or IRO review adverse benefits decisions made by their HMO or insurer relating to health insurance claims. These IROs are independent medical provider review companies licensed by the Arkansas Insurance Department and have no association with a particular health insurer. Beginning January 1, 2012, consumers may make a written request for an external review to the Arkansas Insurance Commissioner who then selects the IRO that will perform the review. Under Rule 76, IROs are permitted to agree, reverse, or modify the health insurer's decisions for qualified claims.

The new rule expands the claims that can be appealed by eliminating any monetary threshold that claims must reach in order to qualify for an external review. Additionally, there are no longer restrictions relating to medical necessity or experimental treatments in order for a consumer to request an external review or appeal of an adverse benefits decision. By giving the Arkansas Insurance Commissioner the IRO selection responsibility, Rule 76 provides for greater

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control over the processing and review of external reviews requested by Arkansas health insurance consumers. All requests will be processed and monitored by the Department's Consumer Services Division which can be reached at 1-800-852-5494.

Consumers should be advised that Rule 76 requires them to exhaust any appeals process in place by their health insurance carrier before seeking an external review from the Arkansas Insurance Department. Anyone with questions about the process should contact their health insurer or the Department to determine if they qualify to have a claims or benefits decision reviewed by an IRO as covered by the new rule. Health insurance carriers are required to provide written information to consumers about their rights to an external review following any adverse benefit decision made by the company. Rule 76 becomes effective January 1, 2012.

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