

PROJECT HISTORY - 2004

HEALTH CARRIER EXTERNAL REVIEW MODEL ACT (#75)

1. Description of the project, issues addressed, etc.

The revisions to this model clarify the scope of the model so that it is consistent with its original intent to permit external review only for adverse determinations involving an issue of medical necessity. These clarifying revisions were necessary in light of the recent revisions made to the Utilization Review and Health Carrier Grievance Procedure model acts.

2. Name of group responsible for draft the model:

Regulatory Framework (B) Task Force

States Participating:

Wisconsin, Chair	
California	Nebraska
Delaware	New Hampshire
District of Columbia	New Mexico
Hawaii	North Carolina
Idaho	Oklahoma
Illinois	Oregon
Iowa	South Dakota
Kansas	Vermont
Louisiana	Virginia
Mississippi	West Virginia

3. Project authorized by what charge and date first given to the group:

The following charge given in January 2003:

Revise the External Review Model Act to account for the amendments made to the Utilization Review and Health Carrier Grievance Procedure model acts. Report by Winter 2003 National Meeting.

4. A general description of the drafting process (e.g., drafted by a subgroup, interested parties, the full group, etc). Include any parties outside the members that participated.

The revisions, and comments received on them, were reviewed and discussed by the task force.

5. A general description of the due process (e.g., exposure periods, public hearings, or any other means by which widespread input from industry, consumers and legislators was solicited.

The draft of the proposed revisions to the model were circulated to interested parties and posted on the NAIC website. Interested parties were given the opportunity to submit comments. The task force reviewed and considered all comments received.

6. A discussion of the significant issues (items of some controversy) raised during the due process and the group's response.

The only controversial issue that was raised was whether certain definitions in this model that are also used in the Utilization Review and Grievance Procedure model acts, particularly the definition of "adverse determination," should be revised in the same manner as in those models. Industry expressed a concern that revising the definitions to conform would cause the scope of this model to be broadened beyond its original intent despite other revised language in this model that would narrow that scope. After discussion, the task force agreed to a compromise. It decided not to revise the definitions to mirror those same terms that are used in the Utilization Review and Grievance Procedure model acts. However, it would retain the revised language in the substantive provisions of this model to ensure that full external reviews are provided only for those requests that involve a question of medical necessity. This revision is consistent with the original intent of this model.

7. Any other important information (e.g., amending an accreditation standard).

None.