



Office of the
Healthcare
Advocate
STATE OF CONNECTICUT

**Testimony of Victoria Veltri
State Healthcare Advocate
Before the Insurance and Real Estate Committee
In support of SB 392
March 13, 2014**

Good afternoon, Representative Megna, Senator Crisco, Senator Kelly, Representative Sampson, and members of the Insurance and Real Estate Committee. For the record, I am Vicki Veltri, State Healthcare Advocate with the Office Healthcare Advocate ("OHA"). OHA is an independent state agency with a three-fold mission: assuring managed care consumers have access to medically necessary healthcare; educating consumers about their rights and responsibilities under health insurance plans; and, informing you of problems consumers are facing in accessing care and proposing solutions to those problems.

I appreciate the opportunity to support Senate Bill 392, AAC Healthcare Provider Network Adequacy. With tens of thousands of newly insured individuals entering the commercial healthcare marketplace, it becomes more critical than ever that plans maintain provider networks that are adequate to meet the needs of its members. The lack of adequate network transparency reached a tipping point this year with the cuts to United Healthcare's Medicare Advantage network. Though a federal program, the lessons there are relevant to state regulated plans.

SB 392 replaces existing statute by increasing the transparency of the network review process and emphasizing the importance that consumers have timely, as well as geographically and clinically appropriate access to medical providers and, should a network be found lacking, provide opportunity and direction for health plans to correct any identified deficits in its network. As in other states that have adopted network adequacy standards, statutory standards create an expectation that all plans will be operating under transparent and uniform standards that do not leave consumers at a disadvantage when purchasing a product. The standards in this bill are not so rigid as to not allow for innovation in networks and products.

Accurate listing of health plan networks is important not only for those already insured, but also for those seeking alternate coverage, so that consumers can make reasonably informed decisions concerning their healthcare choices based on transparent, accurate and intuitive information. Current law does not require transparency of network adequacy standards. Current law requires the submission of verification of URAC or NCQA accreditation. Standards vary across plans and are invisible to the consumer. For this reason, last year the Access Health Board of Directors voted that as part of the Qualified Health Plan criteria, that participating plans had to make their network adequacy criteria available to Access Health CT.

An assurance through an accreditation that networks are adequate is insufficient without accompanying transparency of those standards and monitoring of the networks. In cases where our office believes that a network is inadequate, we will make arguments that the plan must cover a particular service as in network. However, the research it takes to prove that the network is inadequate, or conversely, that it is adequate, is nearly impossible to undertake without the transparency of the network standards and some assurance that there is transparent and ongoing monitoring to assure that provider panels are not closed.

SB 392 creates explicit authority for enforcing network adequacy, but is not so inflexible as to not allow for innovations in network development. An adequate network is fundamental to the purchase of insurance. Since it is part of the bargain in purchasing insurance, it should be transparent to all and enforceable.

Given the landscape today with changing networks, transparency of network adequacy in not just number, but also in quality, is critical. The state should not be in a position of endorsing plans to provide virtually no notice or demonstration to consumers of network adequacy when plans decide to trim networks or when they offer their plans for sale. As we learned previously, it's not the number of providers in a network that is paramount, it is accessibility that matters most. Transparency to providers as to expectations of participation is also a critical component of trust in the network and value to consumers.

OHA is happy to participate in any discussions to finalize language on this bill that would provide consumers with the assurance that network adequacy is monitored on a regular basis.

As the agency whose only mission is healthcare advocacy for Connecticut's consumers healthcare needs, I

thank you for providing me the opportunity to deliver OHA's testimony today. If you have any questions concerning my testimony, please feel free to contact me at victoria.veltri@ct.gov.

