LWV HEALTHY PEOPLE IMPROVED MEDICARE 4 ALL HEALTHY DEMOCRACY

October 25, 2023

LWV Health Care Reform for the US Newsletter

Health Care Claim-Denials by AI -- Bringing us to a tipping point?

Will bulk denials with Artificial Intelligence (AI) be the straw that breaks the camel's back? How bad does the gaming of the system by corporate health insurers have to be for CMS (Center for Medicare Services) to give up on profit-first commercial insurance?

Breakthroughs in AI now in the news enable hugely more corporate claim-denials than Medicare and Medicaid make. Denial by AI gives profit-first insurers a means to take more of our tax money without even having to deliver better health outcomes. Will corporate "Denial by AI" finally push CMS, the courts, and public opinion to lose faith in those corporations?

> ***"Click and submit" rejects as many as 150,000 claims in a month.***

What has changed? Historically, regulations for claim denials by insurance companies have required a company doctor, someone with medical background, to examine patient records, review coverage policies, and use their expertise to decide whether to approve or deny a specific individual's claim. It is not an efficient process.

By contrast, a computer--with an algorithm and a database pre-loaded with information of diagnoses and accepted tests and procedures to treat them--can deny a claim in milliseconds. According to internal Cigna documents obtained by ProPublica,* doctors using "click and submit" have been rejecting as many as 150,000 claims in a month.

Does denial-by-AI fulfill the regulatory requirements for case review? Does it give each patient a fair deal? Even more importantly: Are there safeguards against inappropriate denials that could harm health?

Cigna's Legal Department said "yes" to all three questions. According to the ProPublica report, company executives point out that the patient can always appeal (although records show that they rarely do). Furthermore, the executives maintain that no medical harm is done if the decision to deny is made after the procedure has been performed.

Are automated denials wins for both parties? Cigna's own cost-benefit analysis to approve a new procedure for denial-by-AI says no. They acknowledged it could "*create a negative customer experience*" and a *potential for increased out of pocket costs [for patients]*," but the company opted for greater efficiency (and profit). With "**deny and appeal**," the corporation is saving money two ways: they pay for less care and save money on the denial decision process itself.

When will Health and Human Services say "enough"? Why do they continue to do business with contractors who overcharge CMS and expose patients to greater risks by restricting care?

And what will it take for the general public to appreciate that **many so-called "efficiencies" of corporate health care serve their investors — not us, their patients.**

*This example is drawn from Cigna's internal documents, but industry analysts say Cigna is not alone.
Submitted by Barbara Pearson

NEXT HCR4US MTG
Sunday, Oct. 29
8:00 p.m. ET
5:00 PT

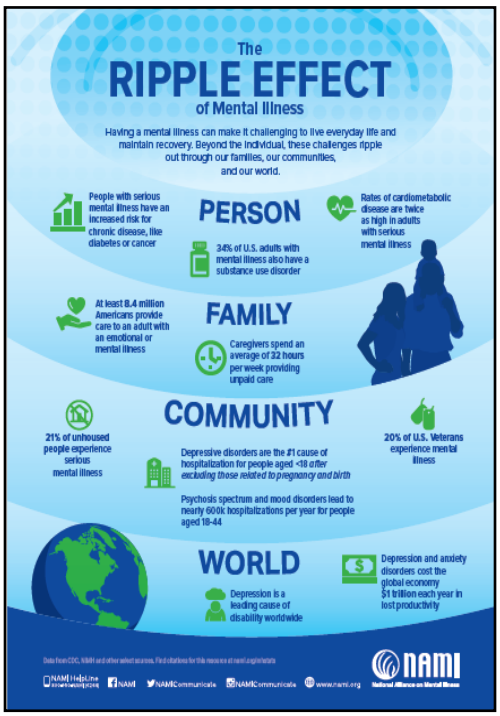
Register at
https://tinyurl.com/HCR4US-Oct29

Agenda:
New Attendees
Announcements
Program Planning
Education/Advocacy
Break-out Sessions

Advocating to Keep Local Hospitals Open

This autumn as you drive rural roads and visit small communities, you'll probably see a lot of Dollar General Stores, a lot of pot holes, and not much faith that the government can fix anything. After all, why should anyone trust the government with healthcare if the government can't even keep the roads functioning? That's a question that resonates with a rural Alabama voter, a rural Wisconsin voter, and a long-time New Englander or Californian.

Regardless of political affiliation, people want to keep their local hospitals open. You can help. Look to see where the nearest hospital is and who owns it. Contact the director for a visit or phone interview, so you can find out the challenges and concerns they're facing. The folks in these rural towns are our allies in the fight for equitable access to quality healthcare without excessive paperwork or medical debt. See what you can do to bring them on board in a way that empowers us all. *Submitted by Angela Gyurko*



Websites

HCR4US Youtube Channel:
https://www.youtube.com/c/LWVHealthCareReform
HCR4US Web-Contact Form:
tinyurl.com/Contact-LWV-HCR-4US
HCR4US Google Drive:
https://tinyurl.com/HCR4US-Minutes-etc
HCR4US Toolkit:
https://lwvhealthcarereform.org

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HCR4US : *Dedicated to educating and mobilizing League members to work toward legislation that enacts the goals of our LWVUS health care position*

Newsletter Committee: *Barbara Pearson, Jon Li, Candy Birch, MaryLynne Courtney, Jody Disney*

Prior Authorization Denials Affect Mental Health Treatment

Increasingly, evidence suggests that Medicare Advantage Plans may use denials of prior authorization as an opportunity to decrease cost and increase revenue. Network inadequacies of behavioral health providers are shocking particularly as it applies to Medicaid recipients

In a 2015 survey conducted by National Alliance on Mental Illness (NAMI), one in four members did not have a behavioral health provider in their network as compared with one in ten for a medical specialist. These figures have worsened since the pandemic and the intensification of need.

In 2021 there were 2 million, either partial or complete, denials of the prior authorization that were submitted for healthcare services. Denials were about 6% of the 35 million MA prior authorizations submitted. Denials varied dramatically among plans, with CVS (Aetna) and Kaiser denying 12% of prior authorizations while Anthem and Humana denied 6%. Most denials were not challenged. Only 11% were appealed even though 80% were eventually, either partially or completely, decided favorably

Denials of services in behavioral health can have especially dire consequences, for example, suicide. Suicide is one of the leading causes of death in the US. The National Alliance on Mental Health reports that suicide is the second leading cause of death for the 10–14-year old cohort.

As noted in the NAMI poster on this page, Mental Illness has a Ripple Effect--in **families** for the caregivers who spend an average of 32 hours a week with unpaid care; in **communities** where depressive disorders are the #1 cause of hospitalization for people aged 18-44; and **around the world** where the price of depression and anxiety are high, both in cost and in harm to the well-being of us all.

The industry must do better and policymakers must also do much better. As advocates, we can impact policy. Connect with your local NAMI and other local programs in and out of the League to **start the ripple.** *Submitted by Jody Disney and MaryLynne Courtney*

In Case You Missed It

Oct. 10 One Payer States "Vermont and Cyprus in the Race to Single Payer Healthcare *https://www.youtube.com/watch?v=5DSPfk-EgyY*

Oct. 16 PNHP "Open Season: Corporate Health Insurers Are Targeting Our Seniors" *https://www.youtube.com/watch?v=pnGqzyZgo4Q*

Upcoming Events

Nov. 2 Washington State Mental Health Summit: free online and in-person action-oriented event that works to advance effective mental health care in the state. Register here.

Nov. 10-12 Physicians for a National Health Program Annual Meeting Atlanta, Georgia. Register here.