



Commonwealth of Kentucky Public Protection Cabinet

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State program allows Kentuckians to seek outside review if insurer denies treatment, medicine

More than 1,300 decisions overturned since inception

Frankfort, Ky. (Sept. 18, 2020) – Kentuckians who disagree with decisions made by their health insurance carrier about the necessity of services, treatments or medication can seek to have an outside expert review that decision, and possibly have it overturned, through a program at the Department of Insurance.

Since 2000, Kentucky law gives individuals who are covered by fully insured health benefit plans the right to have an independent, medical review to assess whether the company's denial of a specific claim or requested service or treatment is justified. Reviews through DOI's Independent External Review Program are available when a recommended service or treatment is denied on the basis that it does not meet the insurer's requirements for medical necessity.

"Health care is a basic human right and we want to make sure every Kentuckian has access to the quality care and treatment they deserve," said Gov. Andy Beshear. "We are taking steps to make sure every Kentuckian has health insurance and this is one more avenue to better health care outcomes in the commonwealth."

"Every Kentuckian should have access to the health services they need," said Public Protection Cabinet Secretary Kerry Harvey. "The external review program provides an opportunity to have denied claims and services reconsidered by additional experts and offers individuals a chance to get the services necessary for good health."

DOI Commissioner Sharon Clark says the overall rate of overturned denials by the external review program is 43% or 1,305 cases since the 19-year program began. "This program is a valuable tool to help resolve disputes between patients and their health plans. Besides being cost effective and reducing expensive litigation, the program provides another layer of patient protection, which is the primary mission of DOI."

DOI's Policy Utilization Review Branch administers the program, which includes certifying, monitoring and registering the entities and agents who conduct the external reviews. Additionally, through a Memorandum of Agreement with the state's Personnel Cabinet, DOI oversees reviews associated with the Kentucky Employee Health Plan, which is the

Commonwealth's self-funded health insurance arrangement administered by Anthem and CVS/Caremark.

To be eligible, the following conditions must be met as outlined in state law:

- The insurer rendered an adverse determination or denied a service/drug;
- The insurer failed to make a timely decision on the covered person's appeal of an adverse determination or denial of service/drug;
- If the adverse determination or denial was for a prospective (pre-service) and the member was enrolled with that insurer on the date the proposed service was requested; and,
- The entire cost of the course of treatment is greater than \$100. The Affordable Care Act preempted this cost limitation.

When a claim is denied, the company informs its member of their rights to request a review and provides instructions on how to make a request in writing. In emergencies, members can make the request verbally, but follow up with a written request. A \$25 fee to the independent review entity can be waived upon documentation of financial hardship. Review requests must be made within four months of the date you receive a notice or final determination from your insurer that your claim has been denied. Decisions are made within 72 hours for urgent reviews and 21 days for standard reviews. An extension of 14 days to provide a decision for a standard review can be given if all parties agree.

For additional information on the Independent External Review Program, visit the [Department of Insurance page online](#) or contact the Kentucky Department of Insurance at (502) 564-3630.

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This chart outlines statistics of the program since it began in 2000.

Year	# of Reviews	Overtured	Upheld	% in Favor of Insured
2000 (1/2 yr)	26	13	13	50%
2001	130	53	77	41%
2002	212	86	126	41%
2003	147	78	69	53%
2004	239	153	85	64%
2005	227	119	108	52%
2006	91	39	52	43%
2007	90	31	59	34%
2008	112	41	71	37%
2009	137	60	77	44%
2010	139	49	90	35%
2011	151	61	90	40%
2012	137	44	93	32%
2013	91	38	53	42%
2014	146	72	74	49%
2015	158	55	103	35%
2016	177	77	100	44%
2017	172	66	106	38%
2018	188	67	121	36%
2019	196	58	138	30%
2020 (1/2 yr)	95	45	50	47%
Totals	3061	1305	1755	43%