Utilization Review Training Kentucky Department of Insurance

December 8, 2021

Welcome

Commissioner Sharon P. Clark

Deputy Commissioner Shawn Boggs

The Department appreciates the Utilization Review entities providing services to the consumers of Kentucky. This training will focus primarily on the Annual Utilization Review Report; however, the Department has revised the Kentucky Administrative Regulation for Utilization Review and the corresponding forms will also be discussed. This training will be broken into three sessions.

- **Annual Report training**
- **Revised Kentucky Administrative Regulation review**
- **UR Registration Advisory Opinion**

Contact Information

Commissioner Clark's Welcome

Department's Website:
https//insurance.ky.gov

Utilization Review Email:
DOI.UtilizationReview@ky.gov

Utilization Review Telephone:
(502)-564-6088

The Utilization Review Branch is responsible for the following programs:

- **Utilization Review Program**
- **Independent External Review Program**
- **Pharmacy Benefit Manager Program**
- **Coverage Denials**

The Branch currently consists of three staff, Kathy S. Horsley, Mary Sue Flora, and Kristin Porter.

Q&A

Thank you for attending today. Over the next couple of hours the Kentucky statutory requirements for reporting utilization review activities performed in Kentucky will be explained in more detail.

Our host, Abigail, has muted everyone's audio and video to help reduce technical difficulties; therefore, we request that any questions you may have during the training be sent via chat which will be monitored by our host and will be answered during our several Q&A periods during the training. The training is being recorded and will be published on the Department's website after the training has concluded.

We realize the some of the slides may be difficult to read on the screen so we will be flipping between the slide show and the actual proposed forms. The images of the forms are of the proposed forms which can be found on our website, we recommend that you access these forms to review the information presented in this presentation.

All Kentucky Revised Statutes and Kentucky Administrative Regulations referenced throughout the presentation will be listed in the Resources section at the end of the presentation.

Utilization Review Training

Annual UR Report Session

As indicated on the Welcome slide, this training will consist of 3 sessions. This will be the Annual UR Report Session,.

Please make sure that you send any questions you may have concerning this session, via chat so our host can present those questions for our Q&A period.

Overview

All Utilization Review (UR) registered entities are required by 806 KAR 17:280 Section 9 to submit an Annual UR Report. This training is being provided to communicate the Department's expectations concerning this reporting requirement.

As Commissioner Clark indicated, over the past four years the Department has noticed an increase of incorrect/non-compliant reports being submitted by registered utilization review companies.

Therefore, the Department and Utilization Review Branch offers this training to clarify the process, the reporting requirements, and the Department's expectations for the report and any possible regulatory actions.

Beginning in 2017 the Branch began verifying information reported on the Annual UR Reports.

It was discovered that the reports were frequently completed incorrectly. So the Branch started sending letters to the UR entities where the approved and denied requests did not match the total requests as well as trying to identify the differences reported in the Utilization Review Grid from the Timeframe Compliance grids.

The Branch realized that the report was unclear and started developing an instructions document to be sent with the report. As the HIPMC-UR2-Annual UR Report form is incorporated by reference in the Utilization Review Program's Kentucky Administrative Regulation the Branch could not change the form until the next legislative review of the regulation.

The Department submitted the revised regulation in 2021 along with the revised and updated forms that were incorporated by reference. The legislative review of the revised regulation and forms is in its final stages and should be complete and effective by February 2022.

However, the Commissioner has authorized the use of the updated forms beginning 1-1-

22. As such the Branch created these training sessions.

Annual UR Report

The Annual Utilization Review Report is due to the Department no later than March 31st of each year for the preceding year. The report must be submitted for all registered UR entities.

The interactive PDF Annual Utilization Review Report form HIPMC-UR2 (*##date##*) is available from our website at https://insurance.ky.com.

The form on the website will always be the most current form as the Department is required to ensure the legislatively approved version of the form is available on our website. The date within the parenthesis will indicate the approval date.

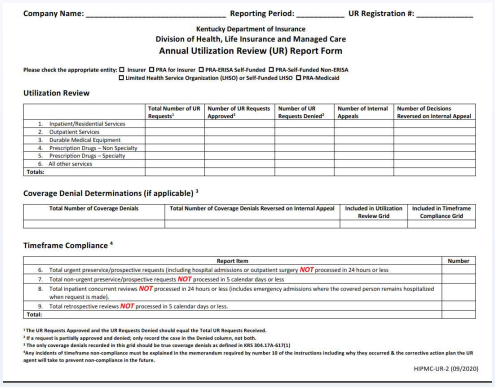
The new forms are currently in the process of being uploaded to our website as they do not officially become effective until February 2022.

Each year prior to preparing the Annual UR Report, please check the website to ensure the correct form is being used. The Branch normally sends an email reminder in January about the Annual UR Report being due no later than March 31st. However, this is solely done as a courtesy, it is the registered UR entity's responsibility to ensure the report is submitted on time. The Department does not accept "not receiving the reminder" as sufficient reason for a delayed report.

Let's get started with the actual review of the report.

HIPMC-UR-2 (9/2020) Annual Utilization Review (UR) Report Form

The Annual Report consists of three main reporting sections. All three sections must be completed. The report should be completed and submitted including for entities that have no UR activities to report.



Company Name: _____ Reporting Period: _____ UR Registration #: _____

Kentucky Department of Insurance
Division of Health, Life Insurance and Managed Care
Annual Utilization Review (UR) Report Form

Please check the appropriate entity: ☐ Insurer ☐ PRA for Insurer ☐ PRA-ERISA Self-Funded ☐ PRA-Self-Funded Non-ERISA ☐ Limited Health Service Organization (LHSO) or Self-Funded LHSO ☐ PRA-Medicaid

Utilization Review

	Total Number of UR Requests[1]	Number of UR Requests Approved[2]	Number of UR Requests Denied[2]	Number of Internal Appeals	Number of Decisions Reversed on Internal Appeal
1. Inpatient/Residential Services					
2. Outpatient Services					
3. Durable Medical Equipment					
4. Prescription Drugs – Non Specialty					
5. Prescription Drugs – Specialty					
6. All other services					
Totals:					

Coverage Denial Determinations (if applicable) [3]

Total Number of Coverage Denials	Total Number of Coverage Denials Reversed on Internal Appeal	Included in Utilization Review Grid	Included in Timeframe Compliance Grid

Timeframe Compliance [4]

Report Item	Number
6. Total urgent preservice/prospective requests (including hospital admissions or outpatient surgery ***NOT*** processed in 24 hours or less	
7. Total non-urgent preservice/prospective requests ***NOT*** processed in 5 calendar days or less	
8. Total inpatient concurrent reviews ***NOT*** processed in 24 hours or less (includes emergency admissions where the covered person remains hospitalized when request is made).	
9. Total retrospective reviews ***NOT*** processed in 5 calendar days or less.	
Total:	

[1] The UR Requests Approved and the UR Requests Denied should equal the Total UR Requests Received.
[2] If a request is partially approved and denied, only record the case in the Denied column, not both.
[3] The only coverage denials recorded in this grid should be true coverage denials as defined in KRS 304.17A-617(1)
[4] Any incidents of timeframe non-compliance must be explained in the memorandum required by number 10 of the instructions including why they occurred & the corrective action plan the UR agent will take to prevent non-compliance in the future.

HIPMC-UR-2 (09/2020)

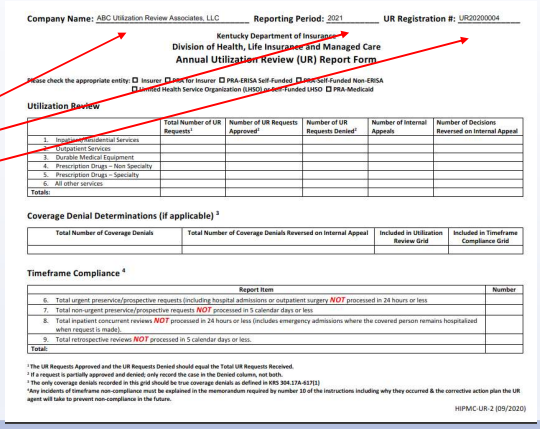
The 3 sections of the report should clearly demonstrate the UR activities that were performed by the UR entity for their clients in the previous calendar year.

If an entity did not perform any UR services during the previous year, a report still must be completed and submitted to the Department indicating that information.

Be sure to read the footnotes on the form which gives some additional guidance on completing the report.

General Report Completion

Each registered UR entity should complete the Company Name, Reporting Period, and UR Registration # fields.



Company Name: ABC Utilization Review Associates, LLC **Reporting Period:** 2021 **UR Registration #:** UR20200004

Kentucky Department of Insurance
Division of Health, Life Insurance and Managed Care
Annual Utilization Review (UR) Report Form

Please check the appropriate entity: ☐ Insurer ☐ HMO for Insurer ☐ PRA-ERISA Self-Funded ☐ PRA-Self-Funded Non-ERISA
☐ Limited Health Service Organization (LHSO) or Self-Funded LHSO ☐ PRA-Medicaid

Utilization Review

	Total Number of UR Requests[1]	Number of UR Requests Approved[2]	Number of UR Requests Denied[2]	Number of Internal Appeals	Number of Decisions Reversed on Internal Appeal
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5. Prescription Drugs – Specialty					
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Totals:					

Coverage Denial Determinations (if applicable) [3]

Total Number of Coverage Denials	Total Number of Coverage Denials Reversed on Internal Appeal	Included in Utilization Review Grid	Included in Timeframe Compliance Grid

Timeframe Compliance [4]

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Total:	

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[4] Any incidents of timeframe non-compliance must be explained in the memorandum required by number 10 of the instructions including why they occurred & the corrective action plan the UR agent will take to prevent non-compliance in the future.

HIPMC-UR-2 (09/2020)

The items listed on this slide seem self-explanatory; however, due to the fact that some UR entities have dbas, we felt it was important to review what we expect on this form.

Please be sure that the name on the UR report is the official UR entity's name and UR Registration # as it appears on the UR Certificate that is sent when the registration is approved. Example: putting something like ABC UR when the entity's official name is ABC Utilization Review Associates, LLC is not acceptable.

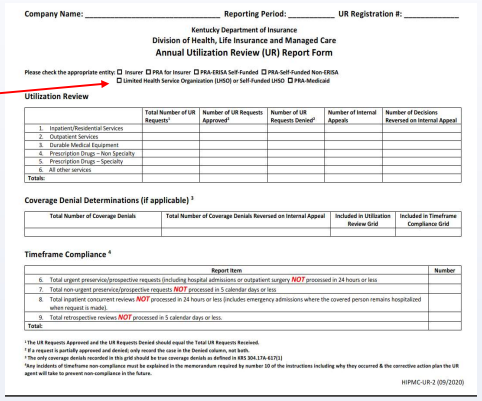
Only submit reports for the actual registered entity, not in the client's names.

UR Entity Type

Each UR registered entity must select the appropriate entity type. However, if the UR entity performs UR services for multiple types such as ERISA, Non-ERISA, and/or Medicaid, please complete a separate report for each of these types.

UR Entities that perform reviews for multiple clients should submit a combined report for all clients, unless the clients are different type entities as identified above.

Companies that hold multiple UR Registrations must complete a report for each registered UR entity separately. Do not combine more than one registered UR entities information on one report.



Company Name: _____ Reporting Period: _____ UR Registration #: _____

Kentucky Department of Insurance
Division of Health, Life Insurance and Managed Care
Annual Utilization Review (UR) Report Form

Please check the appropriate entity: ☐ Insurer ☐ PRA for Insurer ☐ PRA-ERISA Self-Funded ☐ PRA-Self-Funded Non-ERISA ☐ Limited Health Service Organization (LHSO) or Self-Funded LHSO ☐ PRA-Medicaid

Utilization Review

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5. Prescription Drugs – Specialty					
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Totals:					

Coverage Denial Determinations (if applicable) [3]

Total Number of Coverage Denials	Total Number of Coverage Denials Reversed on Internal Appeal	Included in Utilization Review Grid	Included in Timeframe Compliance Grid

Timeframe Compliance [4]

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Total:	

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[4] Any incidents of timeframe non-compliance must be explained in the memorandum required by number 10 of the instructions including why they occurred & the corrective action plan the UR agent will take to prevent non-compliance in the future.

HIPMC-UR-2 (09/2020)

The Branch must be able to determine the type of entity submitting the report to ensure appropriate tracking purposes.

The Branch tracks the different types of entities separately because some of the requirements of the UR program are different based on the various entity types, such as Medicaid. Example is ABC Review Associates performs UR for both a commercial insurance client and a Medicaid client. Because Medicaid requirements are different than commercial the UR entity would need to submit two reports one for the commercial clients and one for the Medicaid clients.

The reason for a combined report for all “like” clients is the report requirement is for the registered UR entity not the UR entity’s clients. We must have a complete report for each registered UR entity that demonstrates their entire UR activities during the report period..

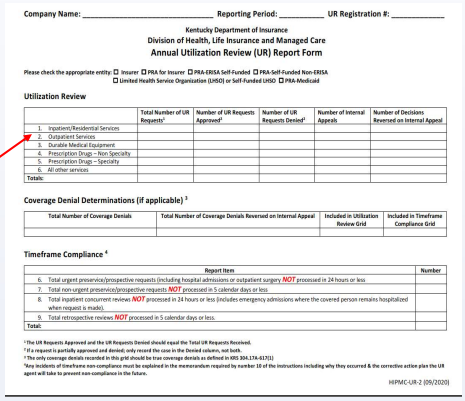
Utilization Review Grid

The information in this grid should represent all the utilization review activities the UR entity completed during the reporting period. The Categories 1 through 6 is the breakdown of how the Department collects the data.

Each request for a UR review is considered a new UR request including any additional days or visits due to timeframe requirements.

Item # 6. All other reviews - should include any reviews that are not reported within the other five categories.

Only report each request in one category. Such as Diabetic equipment or supplies should only be reported in DME or Prescription Drugs not both.



Company Name: _____ Reporting Period: _____ UR Registration #: _____

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Annual Utilization Review (UR) Report Form

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Utilization Review

	Total Number of UR Requests[2]	Number of UR Requests Approved[2]	Number of UR Requests Denied[2]	Number of Internal Appeals	Number of Decisions Reversed on Internal Appeal
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4. Prescription Drugs – Non Specialty					
5. Prescription Drugs – Specialty					
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Totals:					

Coverage Denial Determinations (if applicable) [3]

Total Number of Coverage Denials	Total Number of Coverage Denials Reversed on Internal Appeal	Included in Utilization Review Grid	Included in Timeframe Compliance Grid

Timeframe Compliance [4]

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HIPMC-UR-2 (09/2020)

KRS 304.17A-613 requires the Department to establish reporting requirements. The HIMPC-UR2 is used for the Department to evaluate the effectiveness of the Kentucky UR Program and to ensure UR entities are complying with the program's requirements.

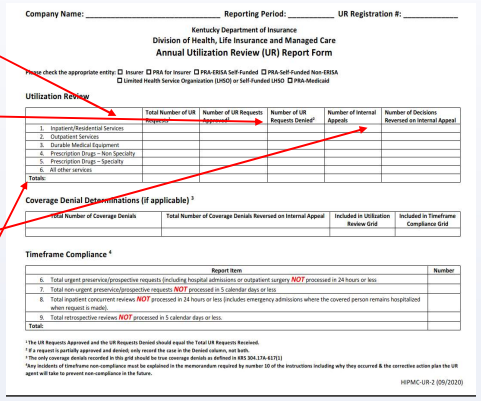
Utilization Review Grid (continued)

The Total Number of UR Requests column entries should equal the Number of UR Requests Approved column entries plus the Number of UR Requests Denied column entries.

If a request is partially denied and approved, it should be recorded in the Number of Requests Denied column, not both the Approved and Denied columns.

The Number of Internal Appeals column should represent the number of appeals members/providers requested based on the information reported in the Number of UR Requests Denied where the members/providers filed appeals. The Number of Decisions Reversed on Internal Appeal should represent the number of the reported Internal Appeals that were overturned as a result of the appeal.

The Total line should be an accumulated total of each column.



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Totals:					

Coverage Denial Determinations (if applicable) [3]

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HIPMC-UR-2 (09/2020)

GO OVER THE SECTIONS AS OUTLINED ON THE SLIDE

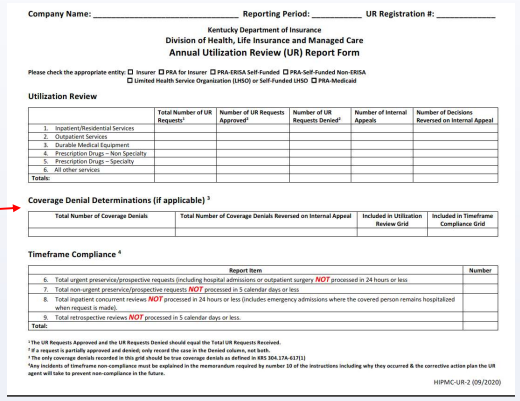
The numbers reported in the Utilization Review Grid should represent all UR requests received by the UR entity during the reporting period.

Each request for a new or additional days/visits must be treated as a separate UR review as the timeframes are required to be met for each request, not just an “overall” request.

Example: Member has inpatient stay of 3 days approved, then the provider determines she needs 2 more inpatient days, then another 2 inpatient days at the end of the 2-day extension. This would be considered 3 utilization reviews and should be recorded as 3 not 1.

Coverage Denial Determination Grid (Non-Medical)

Coverage Denials that meet the definition of Coverage Denial located in KRS 304.17A-617(1) should be reported in this grid, not any medical necessity denials.



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Coverage Denial Determinations (if applicable) [3]

Total Number of Coverage Denials	Total Number of Coverage Denials Reversed on Internal Appeal	Included in Utilization Review Grid	Included in Timeframe Compliance Grid

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HIPMC-UR-2 (09/2020)

GO OVER THE SECTIONS AS OUTLINED ON THE SLIDE

The Coverage Denials that should be reported in this grid should **not** include any review that was denied based on a medical necessity review, only denials based on coverage limitations such as “Infertility treatment, cosmetic surgery not related to an accidental injury or a medical procedure such as breast reconstruction after breast cancer.

These coverage denials would still be considered a UR review, but the Department is requesting they be reported separately as we have to maintain information on non-medical denials for other areas of reporting within the Department.

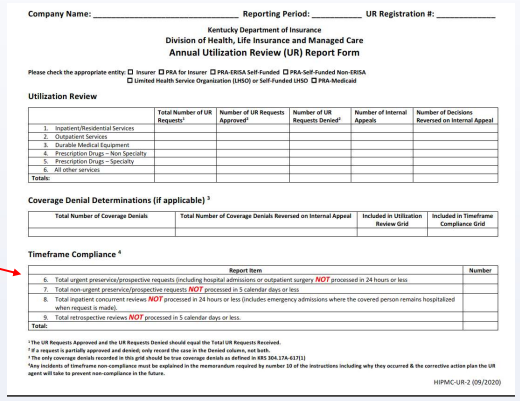
Please make sure you are indicating whether they were included within the Utilization Review Grid and the Timeframe Compliance Grids so that the Branch makes sure the cases are not duplicated in their reports.

Timeframe Compliance Grid

The Timeframe Compliance grid is where the UR reviews reported in the Utilization Review Grid that did not meet the statutory timeframes must be reported.

Only report UR reviews that ***DID NOT* meet the Kentucky timeframes.**

Preservice/Prospective requests would any review not recorded in another category in the grid. Do not record the same request in multiple lines.



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[4] Any incidents of timeframe non-compliance must be explained in the memorandum required by number 10 of the instructions including why they occurred & the corrective action plan the UR agent will take to prevent non-compliance in the future.

HIPMC-UR-2 (09/2020)

GO OVER THE SECTIONS AS OUTLINED ON THE SLIDE

This section is very important and is used to determine if the UR entity is in compliance with the UR program and will be used to determine any possible action that the Department will take for non-compliance.

The new form has been significantly changed to clearly indicate the grid should be completed for cases that failed to meet the timeframes required by KY law.

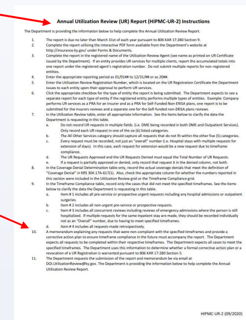
Each request for a new or additional days/visits must be treated separately as the timeframes are required to be met for each request – not an “overall” . Example 10 PT visits were approved for a member in the original prior authorization request and then the provider asks for another 10 visits. This would be considered 2 UR reviews, not just one.

Non-Compliance Memorandum

The Instructions page is the 2nd page of the report form. The completion of the report is detailed in these instructions.

As stated in Item # 10, the Department expects all requests to be completed within their respective timeframes and any non-compliance reported in the Timeframe Compliance grid must be explained in detail, including the identified reasons for the timeframe failure, what actions were taken to prevent the same situation in the future, and any corrective action/training the UR entity completed to prevent future non-compliance.

The Department does not accept URAC or NCQA compliance percentages. All requests should be completed within the appropriate statutory timeframe.



Annual Utilization Review (UR) Report (HIPMC-UR-2) Instructions

The Department is providing the information below to help complete the Annual Utilization Review Report.

1. The report is due no later than March 31st of each year pursuant to 806 KAR 17:280 Section 9.
2. Complete the report utilizing the interactive PDF form available from the Department's website at http://insurance.ky.gov/ under Forms & Documents.
3. Complete the report in the registered name of the Utilization Review Agent (see name as printed on UR Certificate issued by the Department). If an entity provides UR services for multiple clients, report the accumulated totals into one report under the registered agent's registration number. Do not submit multiple reports for non-registered entities.
4. Enter the appropriate reporting period as 01/01## to 12/31/## or as 20##.
5. Enter the Utilization Review Registration Number, which is located on the UR Registration Certificate the Department issues to each entity upon their approval to perform UR services.
6. Click the appropriate checkbox for the type of entity the report is being submitted. The Department expects to see a separate report for each type of entity if the registered entity performs multiple types of entities. Example: Company performs UR services as a PRA for an Insurer and as a PRA for Self-Funded Non-ERISA plans, one report is to be submitted for the insurers reviews and a separate one for the Self-funded non-ERISA plans reviews.
7. In the Utilization Review table, enter all appropriate information. See the items below to clarify the data the Department is requesting in this table.
   a. Do not record UR requests in multiple fields. (i.e. DME being recorded in both DME and Outpatient Services). Only record each UR request in one of the six (6) listed categories.
   b. The All Other Services category should capture all requests that do not fit within the other five (5) categories.
   c. Every request must be recorded, not just an "overall" number (i.e. Hospital stays with multiple requests for extension of days). In this case, each request for extension would be a new request due to timeframe compliance.
   d. The UR Requests Approved and the UR Requests Denied must equal the Total Number of UR Requests.
   e. If a request is partially approved or denied, only record that request it in the denied column, not both.
8. In the Coverage Denial Determination table only, record the actual coverage denials that meet the definition of "Coverage Denial" in KRS 304.17A-617(1). Also, check the appropriate column for whether the numbers reported in this section were included in the Utilization Review grid or the Timeframe Compliance grid.
9. In the Timeframe Compliance table, record only the cases that did not meet the specified timeframes. See the items below to clarify the data the Department is requesting in this table.
   a. Item # 1 includes all pre-service or prospective urgent requests including any hospital admissions or outpatient surgeries.
   b. Item # 2 includes all non-urgent pre-service or prospective requests.
   c. Item # 3 includes all concurrent reviews including reviews of emergency admissions where the person is still hospitalized. If multiple requests for the same inpatient stay are made, they should be recorded individually not as an "Overall" number, due to having to meet specified timeframes.
   d. Item # 4 includes all requests made retrospectively.
10. A memorandum explaining any requests that were non-compliant with the specified timeframes and provide a corrective action plan to ensure timeframe compliance in the future must accompany the report. The Department expects all requests to be completed within their respective timeframes. The Department expects all cases to meet the specified timeframes. The Department uses this information to determine whether a formal corrective action plan or a revocation of a UR Registration is warranted pursuant to 806 KAR 17:280 Section 5.
11. The Department requests the submission of the report and memorandum be via email at DOI.UtilizationReview@ky.gov. The Department is providing the information below to help complete the Annual Utilization Review Report.

HIPMC-UR-2 (09/2020)

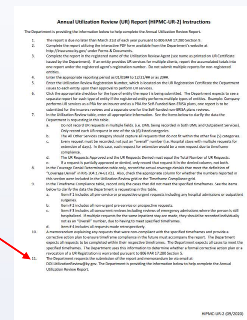
The Branch has continually had to reach out to UR entities to explain the differences over the past few years which is delaying the report review process.

Make sure to include a detailed explanation of the reasons for the timeframe compliance failures and the changes to the UR entity's processes to prevent the failure in the future. If during a report review the UR entity determines an update to their policies and/or procedures which are on file with the Department is needed, they should be submitted in accordance with KRS 304.17A-607(3) and 806 KAR 17:280.

Report Submission

Pursuant to instruction # 11, please submit the completed report and any non-compliance memorandum to the Utilization Review Branch's general mailbox of DOI.UtilizationReview@ky.gov including the UR Registration Number, the UR Entity Name, and 20## Annual UR Report as the subject line. The report and memorandum should be in a combined PDF document.

The email should include the name and contact information for the UR entity, including email address and telephone number for the Branch to contact if there are issues.



The Branch has created a general email address for UR communications that is monitored by multiple staff, and we request that UR entities utilize this email address for all communications and submissions.

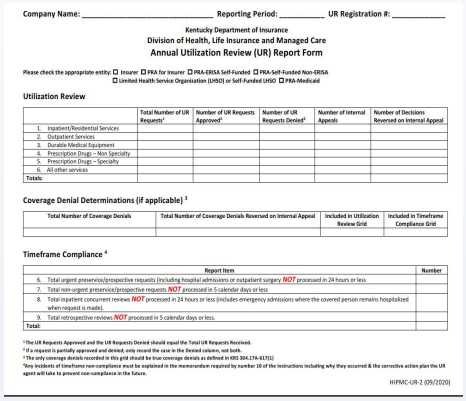
The Department and Branch would recommend that each UR entity create a similar email address to help prevent "lost" or "undeliverable" emails when an individual leaves the UR entity or the primary contact person changes. We have seen an increasing number of "bounce back" emails from various UR entities. This causes a delay in communicating with the UR entity. For an example on the email with the Memorandum for this training the Branch received approximately 50 "bounce or undeliverable" email notices. Some companies already have this type of system in place for their complaints or appeals, so it should not be difficult for the UR entities to create these "general" email addresses.

Utilization Review Internal Report Branch Review

The Branch will review the report in late April to determine if all reports have been received. Any UR entity that did not provide a report will be notified via email with an Annual Report Overdue letter, which will include a due date for submission.

In late May, the Branch will begin reviewing the reports. Any UR Entity with a discrepancy will be notified via email with an Annual Report Discrepancy Letter with a due date to respond to the discrepancy.

Any UR Entity's report showing Non-Compliance and did not provide a Non-Compliance Memorandum will be contacted via email to request the memorandum with a due date for response.



Company Name: _____ Reporting Period: _____ UR Registration #: _____

Kentucky Department of Insurance
Division of Health, Life Insurance and Managed Care
Annual Utilization Review (UR) Report Form

Please check the appropriate entity: ☐ Insurer ☐ PRA for Insurer ☐ PRA-ERISA Self-Funded ☐ PRA-Self-Funded Non-ERISA ☐ Limited Health Service Organization (LHSO) or Self-Funded LHSO ☐ PRA-Medicaid

Utilization Review

	Total Number of UR Requests[1]	Number of UR Requests Approved[2]	Number of UR Requests Denied[2]	Number of Internal Appeals	Number of Decisions Reversed on Internal Appeal
1. Inpatient/Residential Services					
2. Outpatient Services					
3. Durable Medical Equipment					
4. Prescripton Drugs – Non Specialty					
5. Prescripton Drugs – Specialty					
6. All other services					
Totals:					

Coverage Denial Determinations (if applicable) [3]

Total Number of Coverage Denials	Total Number of Coverage Denials Reversed on Internal Appeal	Included in Utilization Review Grid	Included in Timeframe Compliance Grid

Timeframe Compliance [4]

Report Item	Number
6. Total urgent preservice/prospective requests (including hospital admissions or outpatient surgery NOT processed in 24 hours or less.	
7. Total non-urgent preservice/prospective requests NOT processed in 5 calendar days or less	
8. Total inpatient concurrent reviews NOT processed in 24 hours or less (includes emergency admissions where the covered person remains hospitalized when request is made).	
9. Total retrospective reviews NOT processed in 5 calendar days or less.	
Total:	

[1] The UR Requests Approved and the UR Requests Denied should equal the Total UR Requests Received.
[2] If a request is partially approved and denied, only record the case in the Denied column, not both.
[3] The only coverage denials recorded in this grid should be true coverage denials as defined in KRS 304.17A-617(1).
[4] Any incidents of timeframe non-compliance must be explained in the memorandum required by number 10 of the instructions including why they occurred & the corrective action plan the UR agent will take to prevent non-compliance in the future.

HIPMC-UR-2 (09/2020)

The timeframes outlined in this slide are subject to change due to workload and staffing availability.

By providing the UR Report Memorandum with the report it will greatly reduce the time for the Branch to work through the report process.

Acknowledgements are not sent for the annual report. Only entities that have not submitted the report or had issues will be contacted. If the UR entity has not been contacted it should be assumed that the report was received and is acceptable as submitted.

Utilization Review Internal Report Department Review

The Branch will finalize an internal report to the Commissioner after the review of all the reports has been completed.

The Commissioner has discretion to take actions against any UR entity that reported non-compliance. The actions could include formal corrective action plans, fines, or non-renewal of the UR registration of the UR entity.

The Branch's final internal report is not published and only the UR entities that will require actions by the Department will be contacted after completion of the UR Report review process.

Abigail – Do we have any questions on the UR Annual Report Session?

This session will discuss the 2021 revisions to the Utilization Review Program's Kentucky Administrative Regulation (KAR) 806 KAR 17:280 and the forms incorporated by reference.

Regulation 806 KAR 17:280 Revision

The Department filed the revisions to 806 KAR 17:280 with the Kentucky Legislative Research Commission in 2021.

The revised regulation is currently in the legislative review process to be finalized by February 2022.

The Commissioner has authorized the Branch to begin using updated forms beginning 1-1-22.

This session of the training will address the major revisions to the regulation and the changes to the forms required.

The Department has published the proposed changes to the regulation and the forms on our website. Once the Department receives final approval from the legislative review process the regulation and forms will be finalized and downloadable from the Department's website insurance.ky.gov which can be also found in Resources section of this presentation.

As stated earlier, the Department believes this regulation and forms will be effective in February 2022 and should be available on our website at that time.

Regulation 806 KAR 17:280 Revision

This regulation provides detailed requirements for the Department to implement the Utilization Review program as outlined in KRS 304.17A-600 through KRS 304.17A-619.

- Section 1: Definitions
- Section 2: Registration Required
- Section 3: Fees
- Section 4: Application Process
- Section 5: Denial or Revocation Hearing Procedure
- Section 6: Complaints Relating to Utilization Review
- Section 7: Internal Appeals for a Health Benefit Plan
- Section 8: Internal Appeals for a Limited Health Service Benefit Plan
- Section 9: Reporting Requirements
- Section 10: Maintenance of Records
- Section 11: Cessation of Operations to Perform UR
- Section 12: Incorporated by Reference

The regulation is broken down into 12 sections. This portion of the presentation will be centered around the changes made to these sections and the major changes to the forms.

Regulation 806 KAR 17:280 Revision

Section 1: Definitions

The definition section defines terms for the purposes the Utilization Review Program.

The Affordable Care Act (ACA) has added/revised definitions related to UR which are addressed in KY DOI Bulletin 2011-08, which can be found on our website.

The major change to the definitions in this revision is the definition of Health Care Provider or Provider. The definition has been expanded to include Pharmacy.

Some definitions within our regulation have been preempted by the Affordable Care Act (ACA) for ACA complaint plans. The Department's Bulletin 2011-08 addresses what areas of Kentucky's laws and regulations have been preempted. The Bulletin is available on the Department's website.

The major change made in Section 1 Definitions was to the definition of Health Care Provider/Provider to include Pharmacy as provider. The rationale behind this change was to clearly identify a pharmacy as a provider of services to members for utilization review purposes.

Regulation 806 KAR 17:280 Revision

Section 2: Registration Required

No substantive changes were made to this section by this revision.

Section 3: Fees

No substantive changes were made to this section by this revision.

The registration requirements outlined in section 2 and the associated fees in section 3 for UR entities did not change during this legislative review of the regulation.

Regulation 806 KAR 17:280 Revision

Section 4: Application Process

1. **UR entity is required to submit the HIPMC-MD-1 (9/2020) Medical Director Report Form.**
2. **The requirement to provide the UR Criteria has been expanded to include <u>all</u> services requiring UR, not just inpatient and outpatient.**
3. **The policy/procedures requirement was updated to include any new legislation enacted since the previous regulation review.**
4. **Limited Health Benefit Plans (see KRS 304.17C-010(5) definition) written notice requirements were revised to include the Date of Service or Preservice Request Date and Date of the Review.**

#1 KRS 304.17A-607(1) requires the supervision of a licensed physician for all reviews, the Department is requiring the completion of the HIPMC-MD-1 Medical Director form for all UR entities, not just Managed Care Companies as outlined in KRS 304.17A-545 and 806 KAR 17:230. The Branch has been requesting the HIPMC-MD-1 form from UR entities on a routine basis to ensure that each entity has a medical director that is responsible for the supervision of the qualified personnel that are making the UR decisions as required by KRS 304.17A-607(1)(k).This form now must be submitted with every UR application and any renewal of the application.

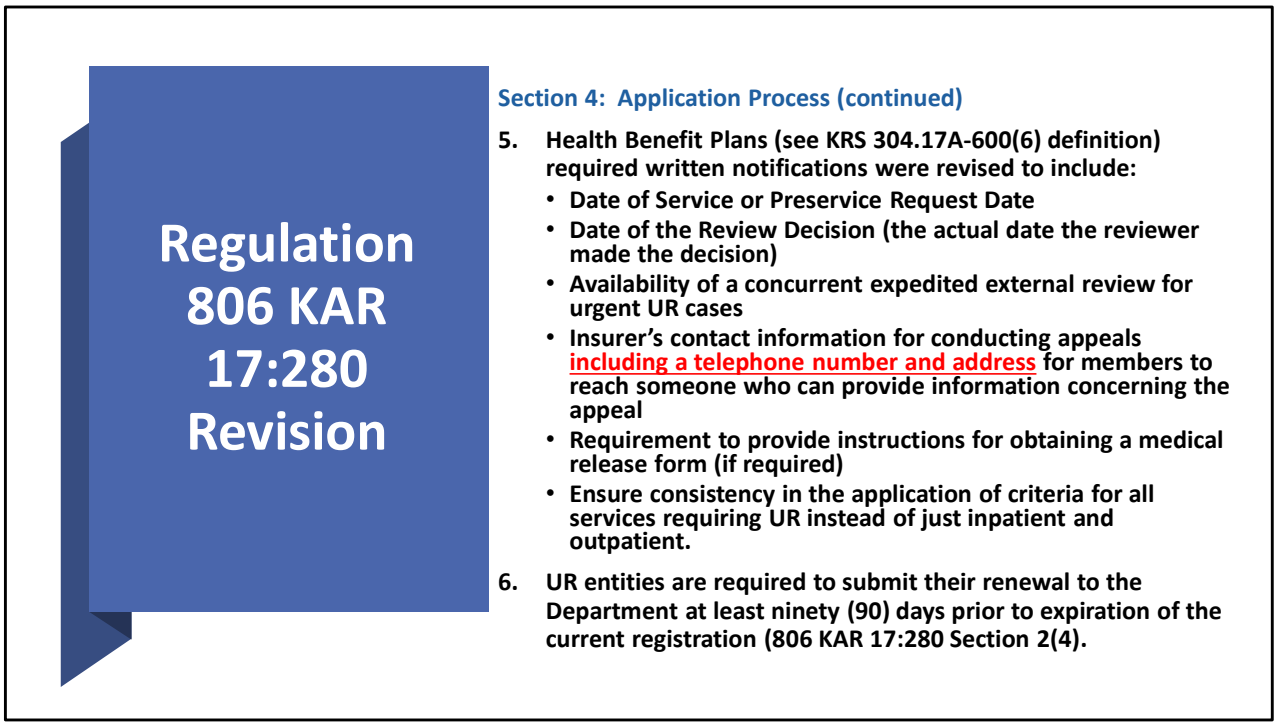
#2 The regulation original only required criteria for inpatient & outpatient reviews; however, due to more and more services requiring prior authorization or medical reviews by insurers, the Department has expanded the criteria to include **<u>all</u>** services that require utilization review. This was done to establish a requirement to identify the criteria used for services such as prescription drugs, DME, etc.

There are national criteria organizations such as Milliman or InterQual which develop standard criteria for reviews. Any UR entity that utilizes one of these will only be required to submit a certification indicating which criteria is used.

Any UR entity that develops their own criteria, the customized criteria must be submitted with the UR application.

#3 New legislation enacted since that last regulation review have been has prompted the addition of the new statutes as outlined on the revised regulation which are listed in the Resources section of this presentation.

#4 The changes to the review decision notifications were made to allow members/providers and the Department to easily determine if the appropriate timeframes were met with the utilization review decisions.



#5 The Department has seen a significant increase in telephone calls from members & providers concerning requesting an appeal or checking the status of an appeal because most of the denial letters do not include a telephone contact number to someone within the Appeals area of the insurer so members/providers can reach out to get questions concerning the appeal answered. Typically, only an address and/or fax number is provided. This requirement is not technically new, but it has been readdressed because of the increased confusion with members.

#6 The requirement for renewals to be submitted 90 days prior is not a revision to the regulation. However, the Department has been experiencing overdue or late renewals with increasing numbers over the last couple of years. Therefore, the Branch wanted to bring the requirement to the attention of all UR entities.
The renewal must be a complete resubmission of the entire application process including all supporting documentation, which is reason for requiring the renewal 90 days prior to the expiration. If the UR registration expires the UR entity is prohibited from performing UR services in Kentucky until the registration is renewed. If a UR entity is found to be performing UR services without being registered, the UR entity can have action levied against it by the Department.

For a new UR Entity's initial application to become registered as a UR entity the timeframe for reviewing the initial UR application is 90 to 120 days. The reason for this extended timeframe is normally the initial review requires several rounds communications between the entity and the Branch.

Regulation 806 KAR 17:280 Revision

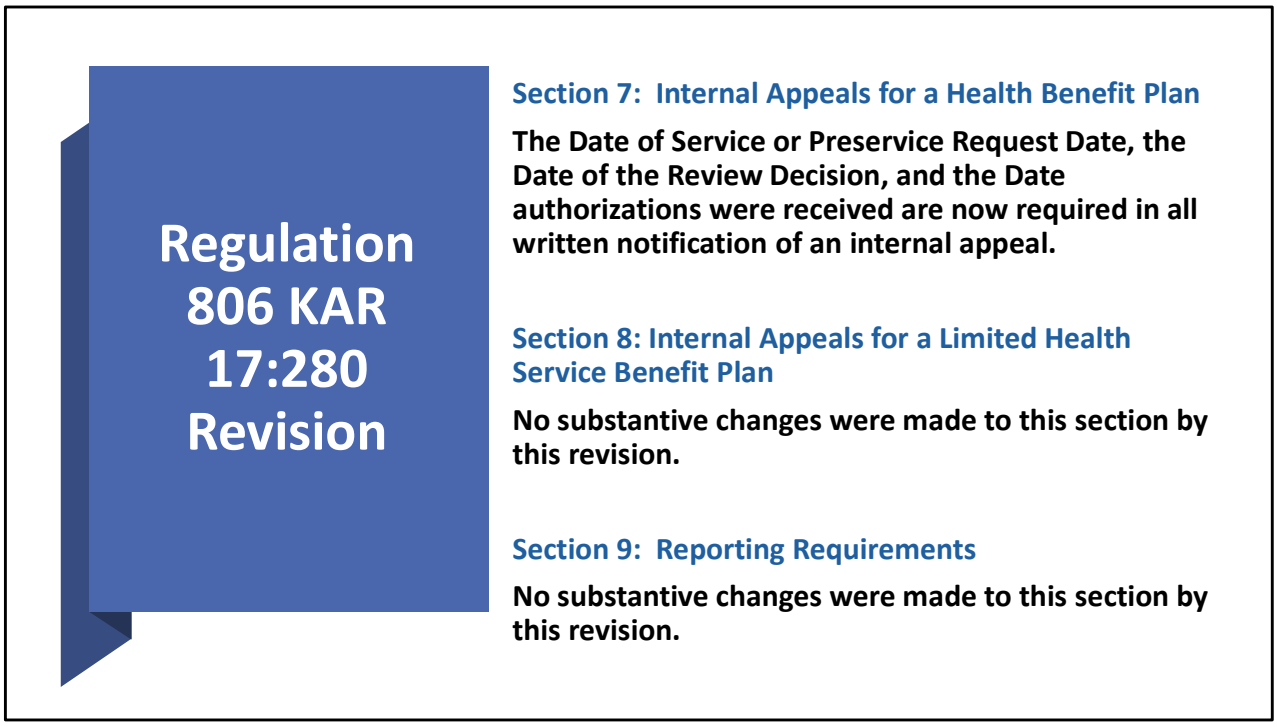
Section 5: Denial or Revocation Hearing Procedure

No substantive changes were made to this section by this revision.

Section 6: Complaints Relating to Utilization Review

The Department now requests all correspondence and/or communications related to the denial between any of the parties including the insurer, the member, provider, and private review agent to be submitted with the complaint response.

Section 6 In the past for complaints the Department had only requested the "Plan's" documentation for complaints. However, through complaints the Department identified discrepancies between what the member/providers were providing to the Department and what the insurer/PRA were communicating to the Department. Therefore, we are now requesting "all" communications which could include audio recordings (if necessary) to be sent with the complaint response.



Section 7 Again, the changes to the written notifications were made to allow members/providers and the Department to verify whether UR timeframes have been met.

Regulation 806 KAR 17:280 Revision

Section 10: Maintenance of Records

No substantive changes were made to this section by this revision.

Section 11: Cessation of Operations

No substantive changes were made to this section by this revision.

Section 12: Incorporated by Reference

All forms were updated and/or revised.

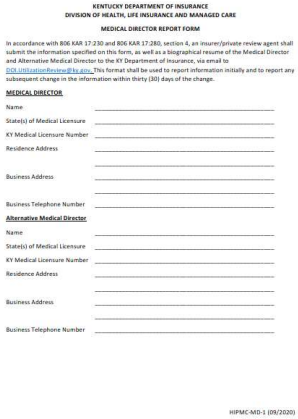
Section 12 All UR forms have been incorporated by reference into this regulation and we will be taking a look at the various forms and revisions to these forms.

HIPMC-MD-1
Medical Director Form

This form is used to provide information for the UR Entity's Medical Director and Alternate Medical Director.

In Kentucky Health Maintenance Organizations(HMO)/Managed Care Plans or Insurers that provide Managed Care Plans must have a Kentucky licensed medical director to sign all denials. If the UR entity's medical director does not hold a Kentucky license, then they must contract with an "Alternate" Kentucky licensed physician to serve as the medical director and sign the denials for these types of plans.

Effective 1-1-22 Any UR entity that has been delegated to perform UR services for Managed Care Plans will need to have their Kentucky Licensed Medical Director appointed by the Managed Care Plan to demonstrate compliance with KRS 304.17A-545 and 806 KAR 17:230.



KENTUCKY DEPARTMENT OF INSURANCE
DIVISION OF HEALTH, LIFE INSURANCE AND MANAGED CARE

MEDICAL DIRECTOR REPORT FORM

In accordance with 806 KAR 17:230 and 806 KAR 17:280, section 4, an insurer/private review agent shall submit the information specified on this form, as well as a biographical resume of the Medical Director and Alternative Medical Director to the KY Department of Insurance, via email to DOI.UtilizationReview@ky.gov. This format shall be used to report information initially and to report any subsequent change in the information within thirty (30) days of the change.

MEDICAL DIRECTOR

Name
State(s) of Medical Licensure
KY Medical Licensure Number
Residence Address
Business Address
Business Telephone Number

Alternative Medical Director

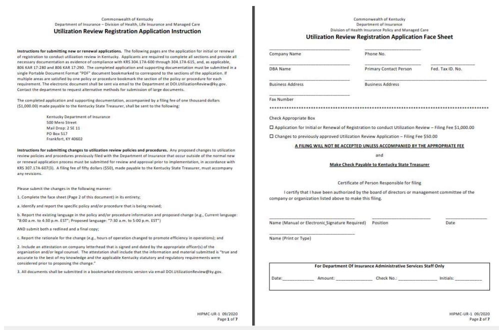
Name
State(s) of Medical Licensure
KY Medical Licensure Number
Residence Address
Business Address
Business Telephone Number

HIPMC-MD-1 (09/2020)

As stated, earlier 1-1-22 all UR entities must complete this form to demonstrate compliance with KRS 304.17A-607(1), KRS 304.17A-545 and 806 KAR 17:230.

The appointment of a Medical Director requirement is not technically a new requirement; however, because of issues identified through Market Conduct Exams the Department is requiring verification that an appointment from the Managed Care Plan to the UR's medical director be on file with the UR entity's registration. This verification should indicate for each Managed Care Plan client that the UR entity's medical director is licensed in Kentucky and was appointed to sign the UR denials for those clients.

HIPMC-UR-1
Utilization Review Registration Application



Commonwealth of Kentucky
Department of Insurance – Division of Health, Life Insurance and Managed Care

Utilization Review Registration Application Instruction

Instructions for submitting new or renewal applications. The following pages are the application for initial or renewal of registration to conduct utilization review in Kentucky. Applicants are required to complete all sections and provide all necessary documentation as evidence of compliance with KRS 304.17A-600 through 304.17A-615, and, as applicable, 806 KAR 17:280 and 806 KAR 17:290. The completed application and supporting documentation must be submitted in a single Portable Document Format "PDF" document bookmarked to correspond to the sections of the application. If multiple areas are satisfied by one policy or procedure bookmark the section of the policy or procedure for each requirement. The electronic document shall be sent via email to the Department at DOI.UtilizationReview@ky.gov. Contact the department to request alternative methods for submission of large documents.

The completed application and supporting documentation, accompanied by a filing fee of one thousand dollars ($1,000.00) made payable to the Kentucky State Treasurer, shall be sent to the following:

Kentucky Department of Insurance
500 Mero Street
Mail Drop: 2 SE 11
PO Box 517
Frankfort, KY 40602

Instructions for submitting changes to utilization review policies and procedures. Any proposed changes to utilization review policies and procedures previously filed with the Department of Insurance that occur outside of the normal new or renewal application process must be submitted for review and approval prior to implementation, in accordance with KRS 307.17A-607(3). A filing fee of fifty dollars ($50), made payable to the Kentucky State Treasurer, must accompany any revisions.

Please submit the changes in the following manner:

1. Complete the face sheet (Page 2 of this document) in its entirety;

a. Identify and report the specific policy and/or procedure that is being revised;

b. Report the existing language in the policy and/or procedure information and proposed change (e.g., Current language: "8:00 a.m. to 4:30 p.m. EST"; Proposed language: "7:30 a.m. to 5:00 p.m. EST")

AND submit both a redlined and a final copy;

c. Report the rationale for the change (e.g., hours of operation changed to promote efficiency in operations); and

2. Include an attestation on company letterhead that is signed and dated by the appropriate officer(s) of the organization and/or legal counsel. The attestation shall include that the information and material submitted is "true and accurate to the best of my knowledge and the applicable Kentucky statutory and regulatory requirements were considered prior to proposing the change."

3. All documents shall be submitted in a bookmarked electronic version via email DOI.UtilizationReview@ky.gov.

HIPMC-UR-1 09/2020
Page 1 of 7

Commonwealth of Kentucky
Department of Insurance
Division of Health Insurance Policy and Managed Care

Utilization Review Registration Application Face Sheet

Company Name ____ Phone No. ____

DBA Name ____ Primary Contact Person ____ Fed. Tax ID. No. ____

Business Address ____ Business Address ____

Fax Number ____

Check Appropriate Box

☐ Application for Initial or Renewal of Registration to conduct Utilization Review – Filing Fee $1,000.00

☐ Changes to previously approved Utilization Review Application – Filing Fee $50.00

A FILING WILL NOT BE ACCEPTED UNLESS ACCOMPANIED BY THE APPROPRIATE FEE

and

Make Check Payable to Kentucky State Treasurer

Certificate of Person Responsible for filing

I certify that I have been authorized by the board of directors or management committee of the company or organization listed above to make this filing.

Name (Manual or Electronic Signature Required) ____ Position ____ Date ____

Name (Print or Type) ____

For Department Of Insurance Administrative Services Staff Only

Date:____ Amount: ____ Check No.: ____ Initials: ____

HIPMC-UR-1 09/2020
Page 2 of 7

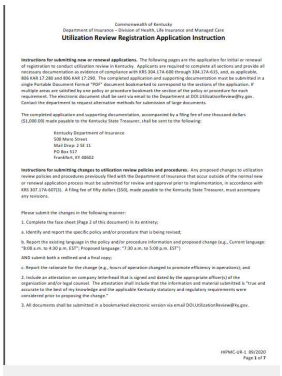
This form is the application that must be completed and submitted along with the policies, procedures, and letters to demonstrate compliance with all requirements of Utilization Review Program.

On these next few slides, the key points of the revisions to the forms will be discussed.

The first page of the application was updated to include the revised instructions on how the UR application should be submitted to the Department for review.

HIPMC-UR-1
Utilization Review Registration Application

1. **All sections of the application must be completed and all appropriate documentation that supports/demonstrates compliance with the Kentucky UR program should be submitted with the application.**
2. **The Department is now accepting the UR applications via UR email in a combine Portable Document Format "PDF" document bookmarked according to the sections of the application.**
3. **The Department will provide UR entities with a temporary MoveIt account to allow for the application submission if necessary due to the size of the combined document.**
4. **The Department moved our offices in late 2019 and the new form includes the current mailing address and contact information.**
5. **The filing fee for initial and renewal registrations as well as the filing fee for a change must be provided in check format, made payable to Kentucky State Treasurer, and mailed to the Kentucky Department of Insurance – not to the Treasurer's office.**
6. **Any change to policies, procedures, or letters require a formal submission with a filing fee and should be created in a PDF bookmarked document and submitted via UR email.**



Commonwealth of Kentucky
Department of Insurance – Division of Health, Life Insurance and Managed Care
Utilization Review Registration Application Instruction

Instructions for submitting new or renewal applications. The following pages are the application for initial or renewal of registration to conduct utilization review in Kentucky. Applicants are required to complete all sections and provide all necessary documentation as evidence of compliance with KRS 304.17A-600 through 304.17A-633, and, as applicable, 806 KAR 17:280 and 806 KAR 17:290. The completed application and supporting documentation must be submitted in a single Portable Document Format "PDF" document bookmarked to correspond to the sections of the application. If multiple areas are satisfied by one policy or procedure bookmark the section of the policy or procedure for each requirement. The electronic document shall be sent via email to the Department at DOI.UtilizationReview@ky.gov. Contact the department to request alternative methods for submission of large documents.

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5nd Floor, SW 11
PO Box 517
Frankfort, KY 40602

Instructions for submitting changes to utilization review policies and procedures. Any proposed changes to utilization review policies and procedures previously filed with the Department of Insurance that occur outside of the normal new or renewal application process must be submitted for review and approval prior to implementation, in accordance with KRS 304.17A-607(1). A filing fee of fifty dollars ($50), made payable to the Kentucky State Treasurer, must accompany any revisions.

Please submit the changes in the following manner:

1. Complete the face sheet (Page 2 of this document) in its entirety;

a. Identify and report the specific policy and/or procedure that is being revised;

b. Report the existing language in the policy and/or procedure information and proposed change (e.g., Current language: "8:00 a.m. to 4:30 p.m. EST"; Proposed language: "7:30 a.m. to 5:00 p.m. EST")

AND submit both a redlined and a final copy;

c. Report the rationale for the change (e.g., hours of operation changed to promote efficiency in operations); and

2. Include an attestation on company letterhead that is signed and dated by the appropriate officer(s) of the organization and/or legal counsel. The attestation shall include that the information and material submitted is "true and accurate to the best of my knowledge and the applicable Kentucky statutory and regulatory requirements were considered prior to preparing the change."

3. All documents shall be submitted in a bookmarked electronic version via email DOI.UtilizationReview@ky.gov.

HIPMC-UR-1 05/2020
Page 1 of 7

The primary revisions to page 1 were related to how the Department expects the application to be submitted. The following are the major changes:

#1 & 2 The application submission should be in a single combined PDF document, not in a "Project" or a PDF document with file folders attached. The Department's goal is within the next couple of years to be able to send a "Shell Application" to each UR entity that will allow all the applications to have the same format. Then when the Department completes its review and approval process of the application, the approved "Application" will be returned to the UR Entity with the approved UR Registration Certificate so that the entity can use that document to create the renewal. The Branch is hoping by using this method of submitting the applications it will reduce the review time, ensure that all requirements and revisions have been included and not been "forgotten" upon the next renewal, and provide better consistency in our review and simplify the UR entities' creation of their applications.

#3 If the single PDF document is too large to submit via regular email, the Department can send a temporary MoveIt invite to the UR entity. The Branch requests that if a MoveIt account is needed, the request not be sent to the Branch until the application is ready to be submitted as the account is a temporary account with a time limit. This should prevent having to sent multiple MoveIt account request emails.

#5 The filing fees must be accompanied with the Utilization Review Registration Application Face Sheet (which is page 2 of the application) and be submitted via US Mail to the address on page 1 of the application. Any check that is submitted without this form will be returned to the UR entity and will delay the review of the UR entity's application. Please provide the check number in the cover letter with the UR Registration Application submission and ensure that the UR Entity Name and UR Registration # is clearly identifiable on the check.

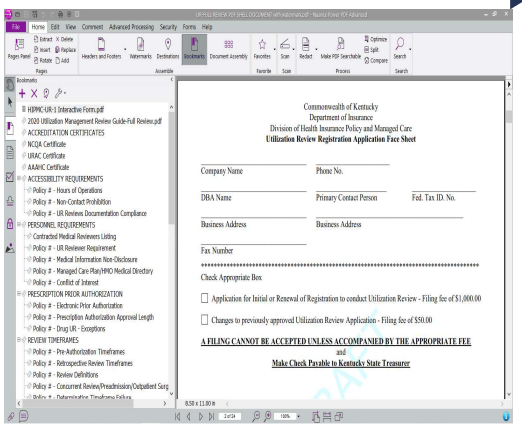
#6 For any change in company demographics, including primary contact, telephone numbers, addresses, change in ownership that do not involve a change in the FEIN number of entity, officer changes, and medical director (the HIPMC-MD-1 form should be included) can be done by sending a letter to the Branch on the UR entity's letterhead with a certification as outlined in Section C of the application to the DOI.UtilizationReview@ky.gov email and do not require a filing fee. These types of demographic changes are required to be submitted within 30 days of the change in accordance with KRS 304.2-120(4).

#6 Any change in policies/procedures/letters must be submitted along with the appropriate filing fee, the Utilization Review Registration Application Face Sheet, a cover letter on the UR entity's letterhead outlining the changes including the policy/procedure/letter number or name, redline versions of the policy/procedure/letter showing deletions, addition language, etc., as well as a clean version of the changed document and an attestation as outlined in item # 3 of the instructions on page 1 of the application. The changes should be submitted in a combined bookmarked PDF document and submitted via email to DOI.UtilizationReview@ky.gov. As indicated previous the filing fee must be submitted via US Mail along with the UR Face Sheet. Any change to policies, procedures, or letters require prior approval and should be submitted at least 30 prior to the projected eliminiation date. No change can be eliminated until the Branch has approved the changes and notified the UR entity.

HIPMC-UR-1
Utilization Review Registration Application

The Branch is working to develop a sample UR Application PDF submission document that can be sent to UR entities to help them prepare their UR Application.

The image here is just an example of the type of bookmarks the Branch is considering for the sample PDF submission document. This project is ongoing at this time and the Branch is hopeful that the process will be completed and available for renewal beginning in 2024 or 2025.



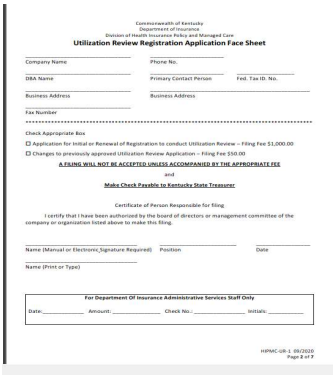
The Branch has experienced numerous delays over the years due to applications being submitted in various formats. As such we are planning to incorporate submission instructions in the near future and this picture serves as an example of what we would like to see when we initiate that change. We are hopeful that we can this type of submission instructions in our next regulation review of 806 KAR 17:280.

Any UR entity may submit their application in a similar format at this time which would allow for a smoother transition for when the sample instructions are incorporated into the regulation in the future.

The PDF submission document will be a combination of the HIPMC-UR-1 Utilization Review Registration Application, the UR Review Guide, and the policies/procedures/letters and documentation that supports the demonstration of compliance with the UR program.

As you can see, there are multiple bookmarks on the lefthanded side of the document. These are general bookmarks that would need to replaced with the UR Entity's actual Policy # and Name for each item as appropriate.

HIPMC-UR-1
Utilization Review Registration Application



Commonwealth of Kentucky
Department of Insurance
Division of Health Insurance Policy and Managed Care

Utilization Review Registration Application Face Sheet

Company Name _____ Phone No. _____

DBA Name _____ Primary Contact Person _____ Fed. Tax ID. No. _____

Business Address _____ Business Address _____

Fax Number _____

Check Appropriate Box

☐ Application for Initial or Renewal of Registration to conduct Utilization Review – Filing Fee $1,000.00

☐ Changes to previously approved Utilization Review Application – Filing Fee $50.00

A FILING WILL NOT BE ACCEPTED UNLESS ACCOMPANIED BY THE APPROPRIATE FEE

and

Make Check Payable to Kentucky State Treasurer

Certificate of Person Responsible for filing

I certify that I have been authorized by the board of directors or management committee of the company or organization listed above to make this filing.

Name (Manual or Electronic Signature Required) _____ Position _____ Date _____

Name (Print or Type) _____

For Department Of Insurance Administrative Services Staff Only

Date:_____ Amount:_____ Check No.:_____ Initials: _____

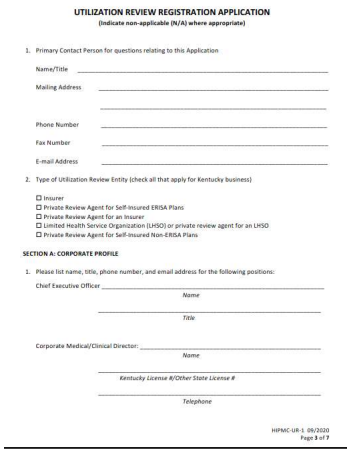
HIPMC-UR-1 09/2020
Page 2 of 7

There were only minor cosmetic changes to this page of the application.

However, this is the page that must be submitted with the filing fees to the Department's physical address.

This is the "Face Sheet" and it must accompany the filing fee when sent to the Department for tracking purposes. As stated before, if the check does not have this Face Sheet attached it will be returned to the company and the UR application review process will not begin until the new filing fee with the Face Sheet is received. This delay could cause a UR registration to expire.

HIPMC-UR-1
Utilization Review Registration Application



UTILIZATION REVIEW REGISTRATION APPLICATION
(Indicate non-applicable (N/A) where appropriate)

1. Primary Contact Person for questions relating to this Application

Name/Title _____

Mailing Address _____

_____

Phone Number _____

Fax Number _____

E-mail Address _____

2. Type of Utilization Review Entity (check all that apply for Kentucky business)

☐ Insurer
☐ Private Review Agent for Self-Insured ERISA Plans
☐ Private Review Agent for an Insurer
☐ Limited Health Service Organization (LHSO) or private review agent for an LHSO
☐ Private Review Agent for Self-Insured Non-ERISA Plans

SECTION A: CORPORATE PROFILE

1. Please list name, title, phone number, and email address for the following positions:

Chief Executive Officer _____
Name

_____
Title

Corporate Medical/Clinical Director: _____
Name

_____
Kentucky License #/Other State License #

_____
Telephone

HIPMC-UR-1 09/2020
Page 3 of 7

The primary change on this page is the inclusion of a new Utilization Review Entity type – PRA for Self-Insured Non-ERISA Plans.

In Kentucky non-ERISA Self-Funded must comply completely with all requirements for the Kentucky UR and Independent External Review programs.

The Primary Contact should be someone the Branch can contact to discuss issues with the application and can make appropriate changes to applications, not necessary a Government Relations or Officer of the UR Entity.

The Branch only allows one primary contact for each UR entity. This primary contact is responsible for all communication with the UR entity and for communicating the information to appropriate staff within the UR entity, as necessary.

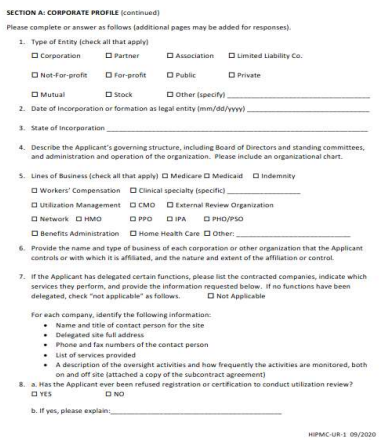
Any changes to the Primary Contact is considered a demographic change, which requires notification to the Department within 30 days of the change as outlined on page 1 of the UR Application and as discussed earlier. The Branch send the Memorandum for this training via US Mail as well as by email and the Department has received numerous returned as undeliverable. As required by regulation entities are required to submit these types of changes to the Department. The specifics related to changes were discussed on an earlier slide.

Please make sure that you check the appropriate entity type and multiple types can be checked if the UR entity provides UR services for multiple entity types.

This section is used to identify the specific requirements an entity must comply with and

how the Branch reviews the application.

HIPMC-UR-1
Utilization Review Registration Application



SECTION A: CORPORATE PROFILE (continued)

Please complete or answer as follows (additional pages may be added for responses).

1. Type of Entity (check all that apply)
   - ☐ Corporation ☐ Partner ☐ Association ☐ Limited Liability Co.
   - ☐ Not-For-profit ☐ For-profit ☐ Public ☐ Private
   - ☐ Mutual ☐ Stock ☐ Other (specify) _____
2. Date of Incorporation or formation as legal entity (mm/dd/yyyy) _____
3. State of Incorporation _____
4. Describe the Applicant's governing structure, including Board of Directors and standing committees, and administration and operation of the organization. Please include an organizational chart.
5. Lines of Business (check all that apply) ☐ Medicare ☐ Medicaid ☐ Indemnity
   - ☐ Workers' Compensation ☐ Clinical specialty (specific) _____
   - ☐ Utilization Management ☐ CMO ☐ External Review Organization
   - ☐ Network ☐ HMO ☐ PPO ☐ IPA ☐ PHO/PSO
   - ☐ Benefits Administration ☐ Home Health Care ☐ Other: _____
6. Provide the name and type of business of each corporation or other organization that the Applicant controls or with which it is affiliated, and the nature and extent of the affiliation or control.
7. If the Applicant has delegated certain functions, please list the contracted companies, indicate which services they perform, and provide the information requested below. If no functions have been delegated, check "not applicable" as follows. ☐ Not Applicable

   For each company, identify the following information:
   - Name and title of contact person for the site
   - Delegated site full address
   - Phone and fax numbers of the contact person
   - List of services provided
   - A description of the oversight activities and how frequently the activities are monitored, both on and off site (attached a copy of the subcontract agreement)
8. a. Has the Applicant ever been refused registration or certification to conduct utilization review?
   ☐ YES ☐ NO

   b. If yes, please explain:_____

HIPMC-UR-1 09/2020

There were only minor cosmetic changes to this page of the application.

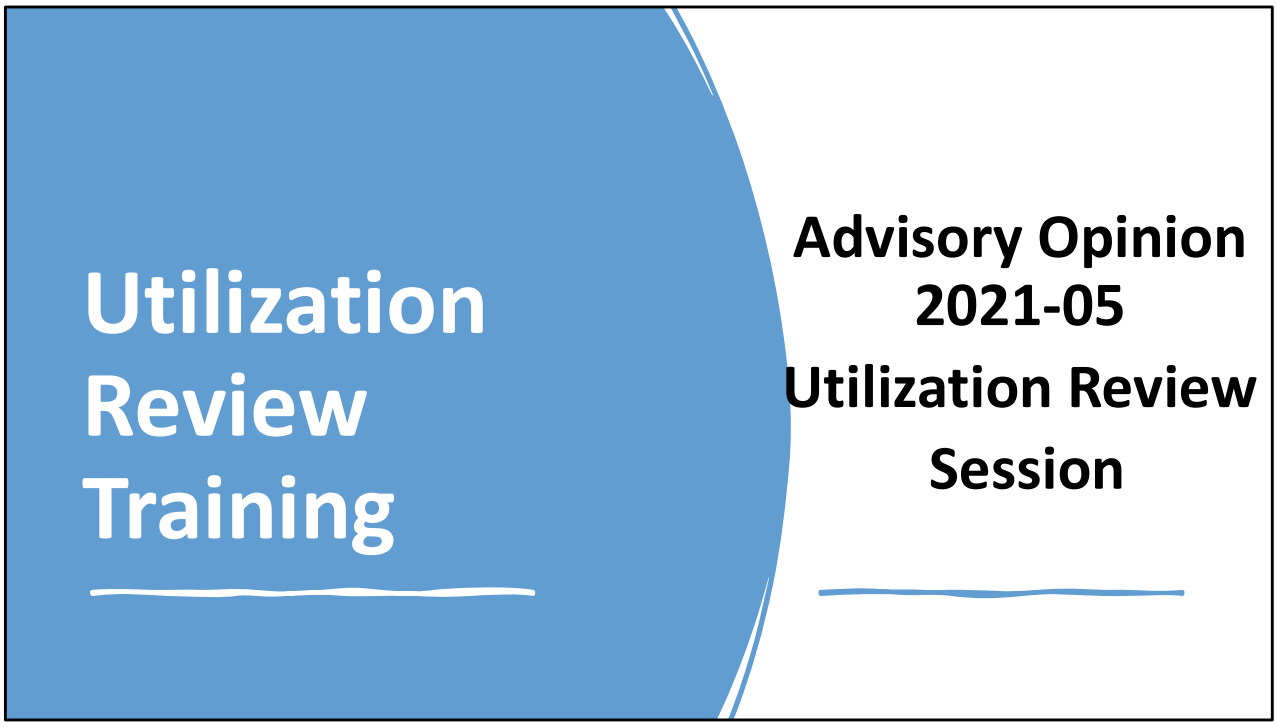
This page had only minor cosmetic changes and the remainder of the pages of the application were not changed with this legislative review.

HIPMC-UR-1 Utilization Review Registration Application

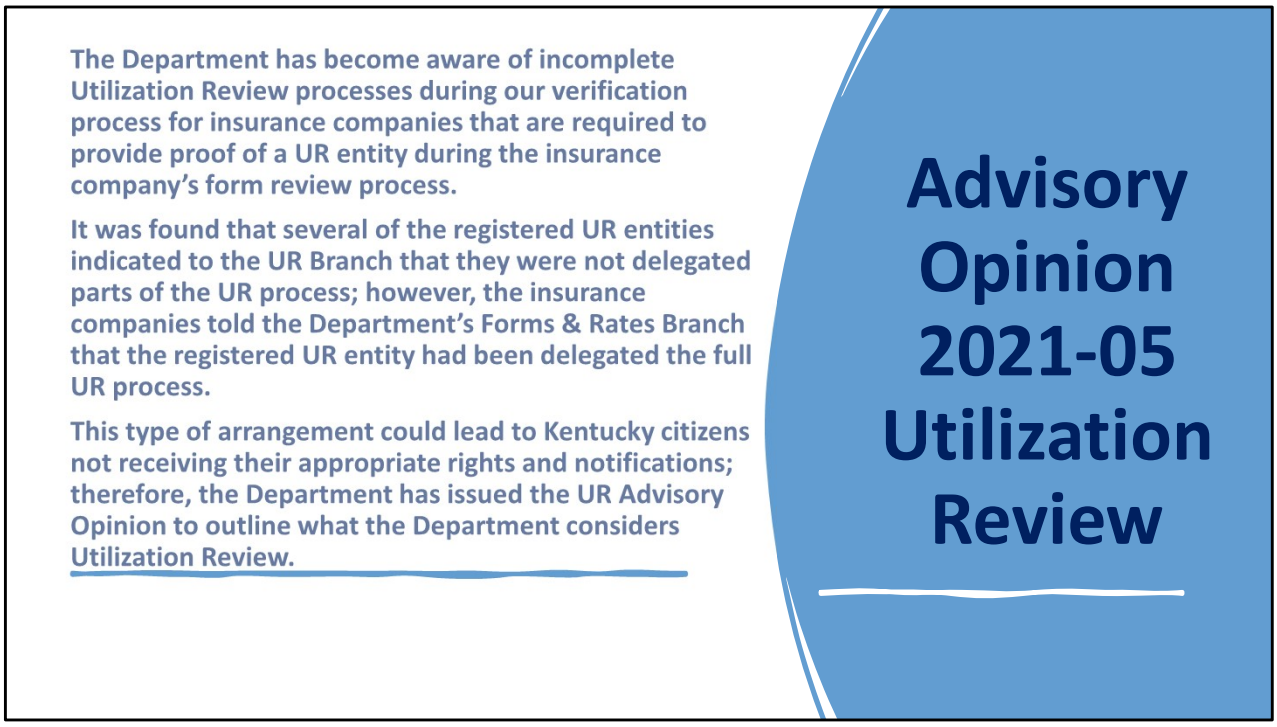
UR Regulation & Forms Session

Questions & Answers

Abigail – Do we have any questions related to the UR Regulation or Forms?



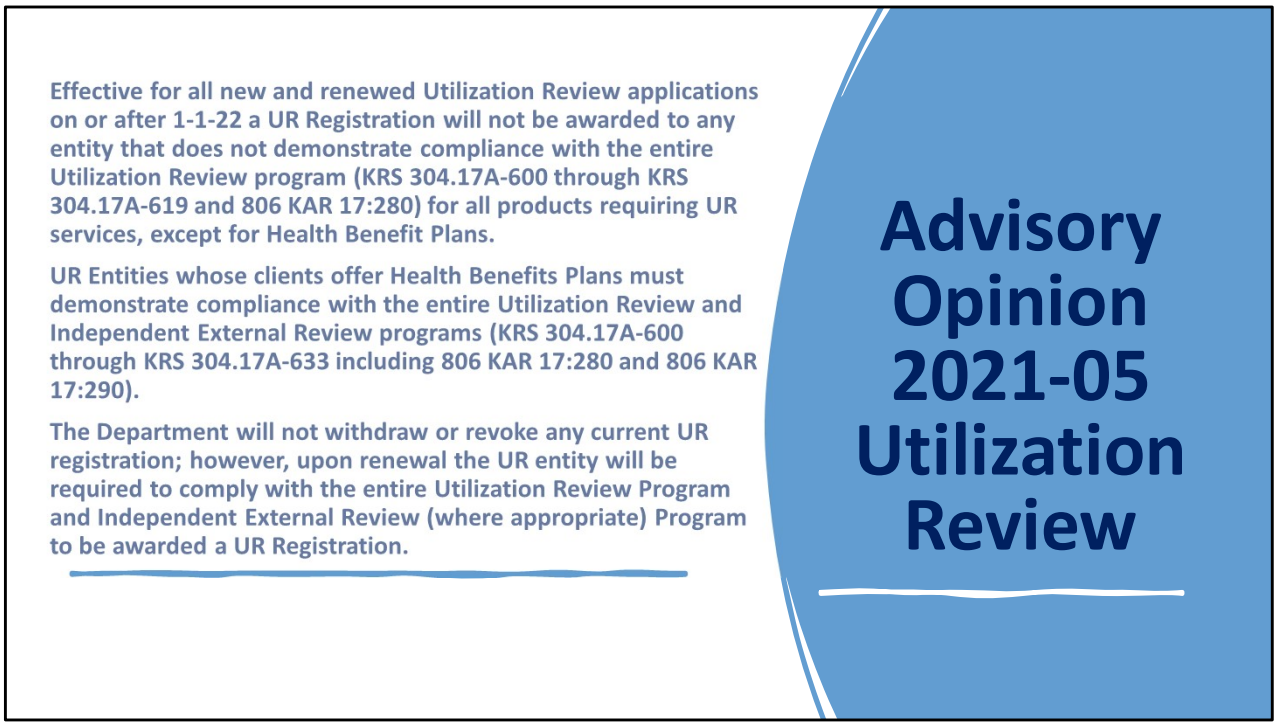
This session will provide detail for the new Advisory Opinion 2021-05 which was published on December 2, 2021 and is available on our website.



Some of the registered UR entities indicated they were only making recommendations not actual final decisions. Which as caused the issue addressed on the slide.

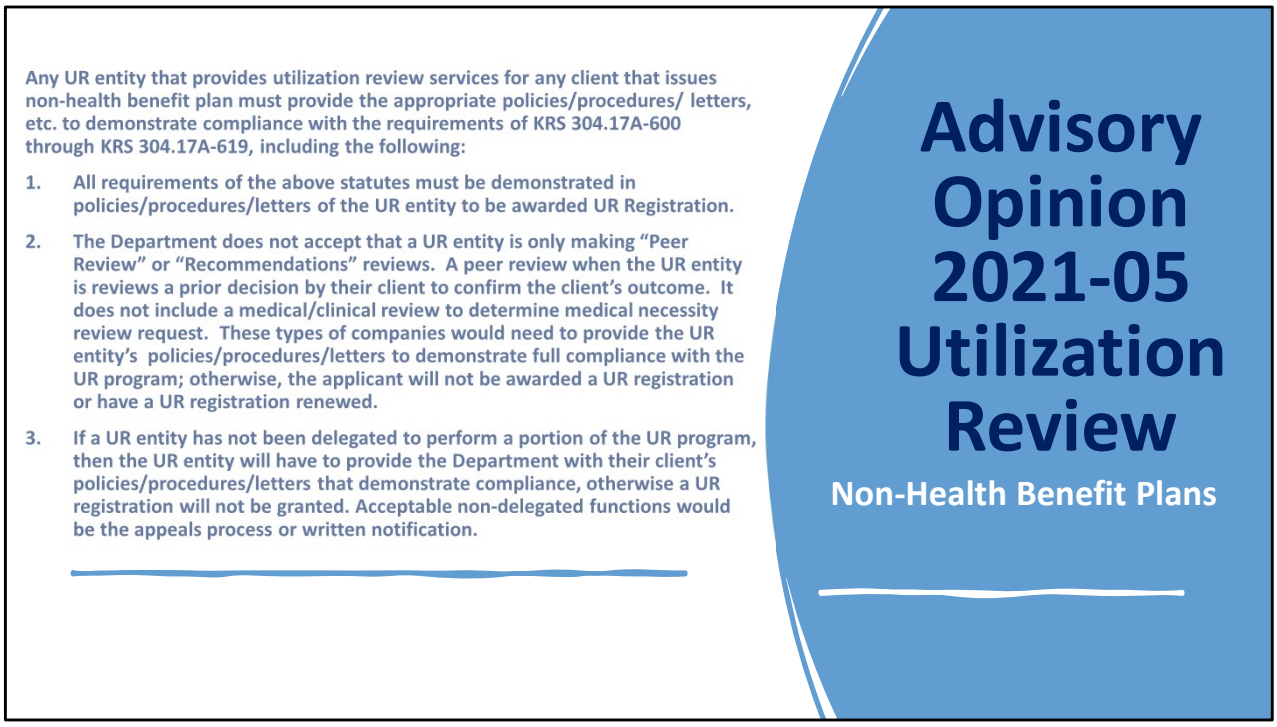
The Advisory Opinion outlines that these types of services are considered utilization review and would require the entity to comply with all of the requirements of Kentucky Utilization Review Program (KRS 304.17A-600 through KRS 304.17A-619).

The Department will no longer issue an UR Registration for an entity unless the application complies with all of the requirements of the KY UR Program's statutes and regulations.



All entities that perform UR services for any insurer must comply with the stated statutes and regulations.

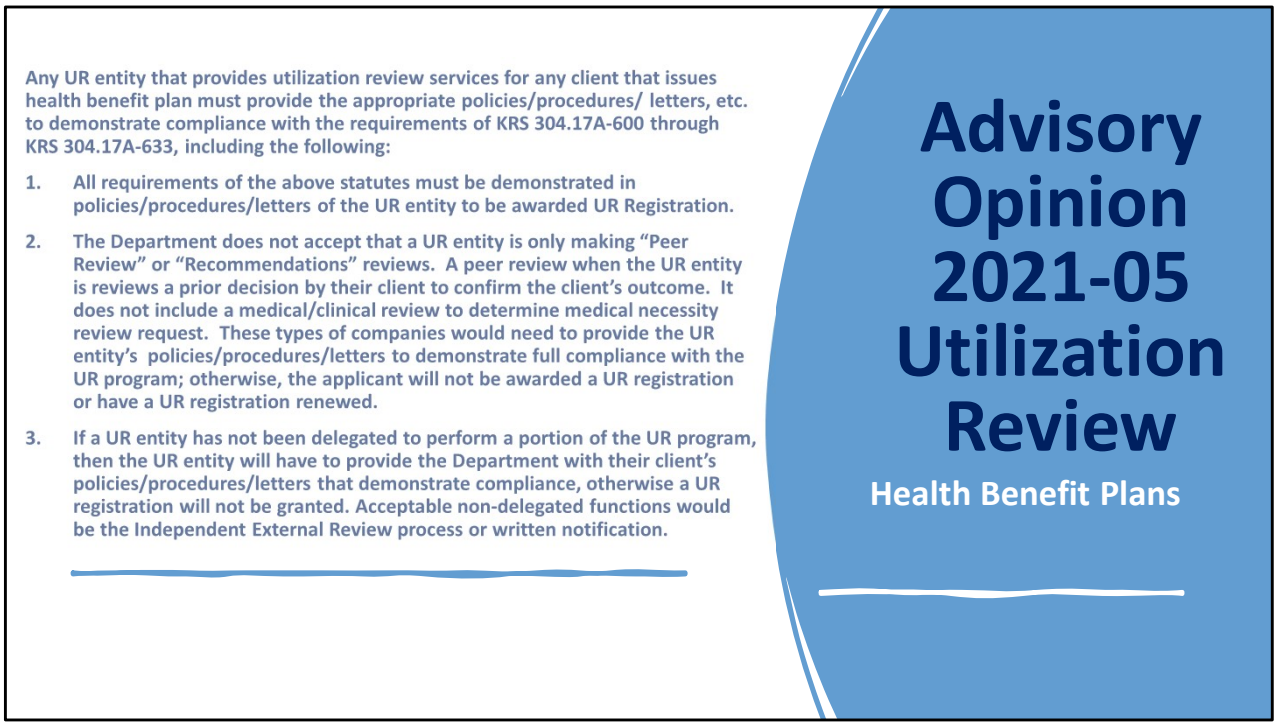
Companies that provider UR services for insurers that sell Health Benefit Plans must comply with all of the requirements of the Kentucky UR Program and the Kentucky Independent External Review programs.



Most of the insurers in Kentucky do not hold a UR registration, but rather rely on a Private Review Agent (PRA) to perform these services for their members. Therefore, the UR entity must provide a complete UR application fo the Department to verify compliance.

Insurers that provide coverage to their members under Non-Health Benefit Plans, such as outlined in KRS 304.17C-010 are not required to provide an Independent External Review process; therefore, the requirements for the Non-Health Benefit plans are slightly different from the Health Benefit Plan requirements.

The UR entity will be responsible for providing/submitting to the Department their client's actual policies and letter templates if the UR entity has not been delegated for that function, such as the appeals process.



Insurers that provide coverage to their members under Health Benefit Plans, as defined in KRs 304.17A-005 and KRS 304.17A-600, are required to provide an Independent External Review process; therefore, a UR entity providing services for these types of plans must comply with the entire process outlined in KRS 304.17A-600 through KRS 304.17A-633.

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The UR entity will be responsible for providing/submitting to the Department their client's actual policies and letter templates if the UR entity has not been delegated for that function, such as the Independent External Review process.

Abigail – Do we have any questions concerning the Advisory Opinion?

Resources

- **Kentucky UR Program Statutes -** KRS 304.17A-600 through KRS 304.17A-633
- **Kentucky Administrative Regulations -** 806 KAR 17:280 **&** 806 KAR 17:290
- **Additional Referenced Sources:**
  - Bulletin 2011-08 Claims & Internal Appeals Preemption
  - Advisory Opinion 2021-05 Utilization Review
  - KRS 304.2-120
  - KRS 304.17A-005
  - KRS 304.17A-545
  - KRS 304.17C-010
  - 806 KAR 17:230
  - UR Forms

The hyper links for each of these items may change over time. Please visit our website for a quick link to the Kentucky Statutes & Regulations

These the are the statutes, regulations, and additional sources referenced throughout the training. As indicated the hyperlinks can change over time.

Resources

- **The Utilization Review Branch can be contacted at DOI.UtilizationReview@ky.gov or by telephone at (502) 564-6088 for any additional questions concerning this presentation or the Kentucky UR Program.**

- **KY Department of Insurance Website:**

  Insurance.ky.gov

This concludes our UR training session. The Branch and Department thanks you for your attendance today and is there any additional questions at this time?