



Kansas Insurance Department

Ken Selzer, CPA, Commissioner of Insurance

BULLETIN 2015-3

TO: All Health Insurers, Third-Party Administrators and Other Interested Parties Subject to External Review of Adverse Health Care Decisions, Municipal Group-Funded Pools.

FROM: Ken Selzer, CPA, Commissioner of Insurance

SUBJECT: External Review of Adverse Health Decisions per K.S.A. 40-22a13 et seq.

Date: July 1, 2015

The purpose of this Bulletin is to inform health insurers subject to external review of adverse health decisions, of the intent of the Kansas Insurance Department (the Department) to begin billing plans for the cost of those reviews for new cases initiated on or after July 1, 2015.

K.S.A. 40-22a15 requires the Commissioner to contract with a qualified external review organization and arrange for payment of the organization's fee for performance of external reviews. Section (h) of the statute allows for the fee to be paid by "the commissioner, the insurer or the health insurance plan. In no event shall the insured be held responsible for any portion." The Kansas Insurance Department currently pays this cost directly to the Kansas Foundation for Medical Care. The Department will continue to pay these costs but may seek recovery of all or a portion of these costs from the plans. The current rate for each fully reviewed case is approximately \$1,000.

At this time there is no need for plans to contract directly with the Kansas Foundation for Medical Care. Cases that are dismissed under preliminary review at the Kansas Insurance Department, but not formally sent to the outside review organization for response, are not billed any amount. Plans are always made aware of cases subject to external review requests and offered an opportunity to respond.

Questions about the change in protocol described by this Bulletin should be addressed to Elizabeth Fike, Kansas Insurance Department, 420 SW 9th Street, Topeka, Kansas 66612, by phone at 785-296-7829, or via email at efike@ksinsurance.org.