State Fines Insurers for Mental Health Parity Violations

The Illinois Dept. of Insurance (IDOI) has announced fines totaling more than $2 million for five major health insurance companies found to be in violation of the Mental Health Parity and Addiction Equity Act (MHPAEA). The Act mandates that health insurance plans must have equivalent levels of coverage for mental health and substance use disorder care as for medical or surgical care; Illinois law further expanded those requirements.

According to the state’s press release, market conduct examinations performed by IDOI from 2015-2017 show that CIGNA, UnitedHealthcare, HCSC (parent company of Blue Cross Blue Shield) and Celtic had violations that resulted in the following fines:

- CIGNA Healthcare of IL paid the highest fine of $582,000 for failing to use medical necessity guidelines required by statute and the American Society of Addiction Medicine (ASAM), and not allowing providers to request an exception to the company’s step therapy requirement for prescriptions.
- UnitedHealthcare paid $550,000 for violations, including failing to use ASAM guidelines, requiring prior authorization from the company before a provider can prescribe the patient Buprenorphine to help fight substance use disorder, and requiring prior authorization for prescribing certain ADHD medications.
- CIGNA Health and Life paid $418,000 for violating ASAM guidelines and imposing step therapy for drugs used to treat depression.
- HCSC paid $325,000 for requiring prior authorization from the company before a provider could prescribe the patient Buprenorphine to help fight substance use disorder.
- Celtic paid $208,000 for failing to perform proper internal testing to confirm that all plans are in parity.

“These fines are a reminder to health insurance companies that my administration is committed to providing the best standard of care for Illinoisans and will protect their right to equitable treatment from health insurance providers,” said Governor J.B. Pritzker. “Seeking treatment for mental health or a substance use disorder is a brave step that should not be met by unnecessary roadblocks and hurdles. We will continue to lead by example and help move the country forward in achieving mental health and substance use disorder parity.”

The Market Conduct Examination Reports can be found here.

Drug Deaths Rising Locally, Nationally

Drug overdose deaths in the U.S. increased in 2019 by a projected 4.8%, setting a new record high, according to preliminary data released by the Centers for Disease Control and Prevention’s (CDC) National Center for Health Statistics. The CDC reported 70,980 projected overdose deaths in 2019, above the previous record of 70,699 deaths in 2017.

More than two-thirds of states saw increases in overdose deaths while 13 saw declines. The CDC said Illinois’ numbers were underreported due to incomplete data, showing a 2.2% increase in 2019, with 2,804 projected deaths.
Meanwhile, officials in Cook County announced that the county is on track to double the number of opioid-related deaths from 2019. While African Americans make up under 24% of the County’s population, they account for half of all opioid deaths in the County this year. Last year, the Cook County Medical Examiner’s Office confirmed 605 opioid overdose deaths between Jan. 1 and July 13. This year, that number stands at 773. But the Office is still awaiting results of 580 pending cases. According to Chief Medical Examiner Dr. Ponni Arunkumar, 70% to 80% of those cases will be confirmed as opioid overdoses. This means that there are already approximately 1,200 opioid toxicity deaths in Cook County this year.

“This year continues to showcase the dangerous consequences we face as a result of decades – centuries – of racial inequities,” said Cook County Board President Toni Preckwinkle. “While much of this year has been consumed by our fight to contain COVID-19, which has disproportionately impacted our communities of color, we’ve had to contend with skyrocketing homicide rates which almost universally took the lives of Black and Brown people and we must face the devastating toll the opioid crisis is taking on our community as well.”

HFS Update: ORP Edit, LARC Device Codes
The Dept. of Healthcare and Family Services (HFS) recently issued two important provider notices. The first notice alerts hospital that the previously suspended Ordering, Rendering and Prescribing (ORP) edit will be reinstated effective Aug. 1, 2020; a second notice provides interim guidance to hospitals for inpatient claims containing long-acting reversible contraceptive (LARC) HCPCS codes.

The first notice alerts providers that the Department will resume editing to ensure that ORP provider National Provider Identifiers are valid and the providers are enrolled with the Department. This will be effective with claims received starting August 1, 2020, regardless of service date, and applies to claims for both managed care and traditional fee-for-service participants.

The second notice is a follow-up notice to an earlier HFS provider notice, notifying hospitals that for inpatient discharges beginning July 1, 2020, the LARC device charge should be included on the hospital inpatient claim, and will be reimbursed separately as an add-on amount to the APR-DRG payment determined for the inpatient delivery. Until system changes are completed, hospitals are instructed to hold fee-for-service claims that contain a LARC HCPCS code. Hospitals will be notified when the system changes are completed, so that the claims may be submitted and paid correctly. The claim hold instructions above apply only to participants covered under traditional Medicaid fee-for-service.

CDC Urges Americans to Wear Masks
Citing the latest science, including two recent case studies, on the effectiveness of masks in preventing and reducing the spread of COVID-19, the Centers for Disease Control and Prevention (CDC) is urging Americans to wear masks.

In an editorial in this week’s Journal of the American Medical Association (JAMA), the CDC reviewed the latest science and affirmed that cloth face coverings are a critical tool in the fight against COVID-19 that could reduce the spread of the disease, particularly when used universally within communities.

“We are not defenseless against COVID-19,” said CDC Director Dr. Robert Redfield. “Cloth face coverings are one of the most powerful weapons we have to slow and stop the spread of the virus – particularly when used universally within a community setting. All Americans have a responsibility to protect themselves, their families, and their communities.”

The CDC’s review includes two case studies, one from JAMA, showing that adherence to universal masking policies reduced SARS-CoV-2 transmission within a Boston hospital system, and one from the CDC’s Morbidity and Mortality Weekly Report, showing that wearing a mask prevented the spread of infection from two hair stylists to their customers in Missouri.

Yesterday, a diverse coalition of business and healthcare groups, including IHA, issued a press release urging Illinoisans to wear face masks when in public to save lives and protect the state’s economy.

State, National, Global COVID-19 Updates
The Illinois Department of Public Health (IDPH) announced today 1,257 new COVID-19 cases and 25 deaths. The total number of cases in the state is 157,950 in 102 counties, with a total of 7,251 deaths. IDPH says that in the past 24 hours, 43,006 test
specimens have been processed (a new one-day record high number of tests), with a positivity rate of 2.9%. The preliminary seven-day statewide positivity rate from July 9 to July 15 is 3.1%. Statewide COVID-19 hospitalizations in the past 24 hours decreased from 1,454 patients to 1,434 patients. Of that figure, 311 patients were in the ICU, with 127 patients on ventilators.

Today’s Centers for Disease Control and Prevention (CDC) figures show more than 3.48 million confirmed and presumptive positive cases of COVID-19 in the U.S., with 136,938 deaths.

Today’s WHO Coronavirus Disease Dashboard shows more than 13.3 million COVID-19 cases globally, with more than 580,000 deaths. The Region of the Americas (includes the U.S.) continues to lead the world with more than 7 million cases and more than 294,000 deaths.