

**HEALTHCARE REVIEW**

TO: Office of Consumer Information and Insurance Oversight  
Department of Health and Human Services

ATTN: OCIO-9993-IFC

Date: July 29, 2010

Subject: Comments on the Consumer Protections of the NAIC Uniform Model Act

The North Carolina Department of Insurance has reviewed the Interim Final Rules implementing the requirements regarding the external review process for group health plans and health insurance coverage in the group and individual markets under the Patient Protection and Affordable Care Act. Under these interim final regulations, the Affordable Care Act provides that the State external review process must include, at a minimum, the consumer protections of the NAIC Uniform Model Act. The Department agrees that uniformity is in the best interest of the consumer, regulator and industry. However, we have concerns with the requirement of a 72 hour timeframe for processing expedited external review requests. We have outlined our concern for your review and consideration:

Expedited External Review Requests

North Carolina's external review program was established July 1, 2002. Between July 1, 2002 and September 30, 2005, expedited external review requests were processed, and a decision issued, within four calendar days. During this period, consumers experienced significant difficulty with the constraints of the short timeframe in obtaining additional information from their doctor's office and gathering medical records to submit to the independent review organization (IRO) assigned to perform the medical review of their case. The short timeframe was especially difficult when a request was submitted close to the weekend; specialty physician offices may be closed and medical office staff unable to provide assistance with medical records. Under North Carolina law, the IRO must issue a decision within the four days regardless of whether the reviewer has all the necessary information.

Effective October 1, 2005, North Carolina changed the law governing the timeframe for expedited external reviews to four business days. This change has ensured that consumers and their medical providers have sufficient time to submit a complete request, which frequently includes medical records, x-rays, and related documents in support of their case. We made this change because we believed it was an important consumer protection in the external review process.

We are requesting your favorable consideration in accepting North Carolina's timeframe for processing an expedited external review request in four business days. This request is based on

our eight years of experience with the program; and striving to meet the needs of North Carolina's citizens.

Sincerely,

Susan D. Nestor, RN, MSN  
Director, Healthcare Review Program  
North Carolina Department of Insurance

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