

HR Technical Update

Changes to Claims Appeal Process
Compliance Required due to Health Care Reform

January 26, 2012

Links to Documents

MAA Claims Appeal Form:
[Claims Appeal Form - OK](#)
[Claims Appeal Form - TX](#)

[Interim Final Rules](#)
for Group Health Plans and Health
Insurance Issuers Relating to
Internal Claims and Appeals and
External Review Processes Under
the Patient Protection and Affordable
Care Act [7/23/2010]

**[Amendment to Interim Final
Rules](#)**

**[DOL Technical Release No.
2011-02](#)**
Guidance on External Review

[EBSA News Release](#)

**[EBSA FAQs About the
Benefit Claims Procedure
Regulation](#)**



Mutual Assurance Administrators
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Dear Client,

As you know, health care reform has brought changes to the appeal processes for some self-insured group health plans. While currently the mandated changes have only gone into effect for non-grandfathered plans, the increased attention being given to patient's rights is likely to increase the number of member appeals that are filed on all plans. In addition, the US Department of Labor has increased random auditing of plans to monitor compliance with the appeals process and the Internal Revenue Service has demonstrated a more aggressive interest in collecting excise taxes for compliance failures.

In order to be prepared for any increased volume, and to keep up with federal intent to ensure strict compliance with appeal processes, MAA has reviewed its internal procedures for handling such appeals.

This review has led to some changes in the process. While not every plan is the same, most incorporate a two level appeal process. This process allows a claimant 180 days to file an initial appeal, with a response being due from the Plan within thirty (30) days of receiving the appeal. If the claim is still denied on the initial appeal, a claimant has sixty (60) days after the appeal denial to submit a second level appeal.

While in the past, MAA may have consulted with the Plan informally as to the Plan's instructions regarding how to handle an appeal, you will now begin to see information being provided to the Plan Administrator in a more official manner.

- MAA will now forward all properly submitted first level appeals to the Plan Administrator as a way to keep the Plan Administrator informed about the claim.
- MAA will then gather the information pertaining to the claim and contact the Plan Administrator to discuss the claim and ascertain the intent of the Plan with respect to the appeal.

- The Plan's intent will need to be conveyed to MAA in writing, with an email being sufficient.
- MAA will then prepare the appropriate response letter based upon the instructions from the Plan.
- If a second appeal is received, the process will be essentially the same although plan decision makers will need to be different than those involved with the first appeal.
- Non-grandfathered plans are already required to provide a subsequent external appeal process and a similar notification process will be used in the event an external appeal is requested.

This process will keep the Plan Administrator informed at each step of the appeal process, to ensure that the Plan's intent is being carried out. Formalizing this process will also help the Plan become accustomed to the strict compliance that will go into effect for non-grandfathered plans in 2012 and may very well be required a few years down the line for all plans.

As with many aspects of health care reform, any change can seem overwhelming at first. However, we are convinced that by working together any claim appeals can be resolved efficiently and accurately. As always, MAA will be there at each stage of the claim and appeal process to answer any questions and to assist in the administration of your Plan.

We appreciate the opportunity to serve you!

Sincerely,

Carol Montgomery, RN
Chief Operating Officer
Mutual Assurance Administrators

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