January 12, 2015

J. P. Wieske  
Chair  
Network Adequacy Model Review Subgroup  
Jolie H. Matthews  
Senior Health and Life Policy Counsel  
National Association of Insurance Commissioners  
701 Hall of the States  
444 North Capitol Street, NW  
Washington, DC 20001-1509

Re: AMA Comments on Revisions to the NAIC Managed Care Plan Network Adequacy Model Act #74

Dear Mr. Wieske and Ms. Matthews:

On behalf of our physician and student members, the American Medical Association (AMA) appreciates the opportunity to provide comments to the National Association of Insurance Commissioners (NAIC) Model Review (B) Subgroup of the Regulatory Framework (B) Task Force regarding revisions to the NAIC Managed Care Plan Network Adequacy Model Act #74 (Revised Model Act).

The AMA commends the subgroup for the time and effort invested in the first round of revisions to the Revised Model Act. The AMA believes that considerable improvements have been made to the Revised Model Act to help ensure that patients will have access to an adequate and meaningful network of health care providers and that regulators will have the authority to actively review and monitor all networks using appropriate quantitative and other measurable standards. However, we believe that there are several areas that could be further improved to provide consumers with the protections and assurances they deserve.

The attached document provides specific "redline" comments on the Revised Model Act, but we would like to highlight a few specific areas.

First, the AMA strongly agrees with the requirement in the Revised Model Act that network plans must be publicly available to consumers. This - along with additional provisions to ensure those network directories are accurate and updated in a timely fashion - will help consumers choose a provider. This also will help health care professionals review directories for accuracy.

Second, as the AMA and more than 100 other organizations have stressed previously, narrow networks may not be inherently deficient, but they must be evaluated and only approved by regulators when they can prove that they ensure enrollees' access to a full range of pediatric and adult providers for all covered
services. This includes primary and specialty care as well as subspecialty access for patients with complex medical needs. Although the Revised Model Act takes steps in this direction, the AMA believes these provisions should be included in the Revised Model Act as statutory language rather than a drafting note or left to individual state regulation. This includes, for example, a strong preference for making the "Option 1" drafting note under Section 5(D) a requirement and deleting "Option 2."

Third, similar to the AMA's preference for the NAIC to adopt strong consumer protections, with respect to tiered networks, the AMA urges that the drafting note under Section 5(A) be revised in two ways:

- Tiered networks should be reviewed and approved by regulators under the same requirements as all other networks; and
- Tiered networks should be evaluated on the same basis of other networks by using the providers, benefits and services available at the lowest-cost level.

Fourth, the AMA believes that an appeals and exception process is not a substitute for network adequacy. We appreciate the increased requirements on health plans to ensure access to care when a provider or service is not readily available within a geographic area, but we believe that regulators have an obligation to review and approve the health plans' means to ensure access to those services as part of a network. This will help patients avoid unnecessary and potentially harmful (and cost-prohibitive) delays in care.

Finally, the AMA greatly appreciates and supports the Revised Model Act's provisions to increase transparency for consumers. With millions of patients across the United States accessing health insurance coverage for the first time, the NAIC is well-positioned to provide regulators with the guidance necessary to ensure that patients - and regulators - have the information they need to make informed decisions.

As noted above, the AMA has attached detailed "redline" comments to the Revised Model Act for your consideration. We look forward to discussing these proposed revisions with the subgroup. If you have any questions, please contact Daniel Blaney-Koen, JD, Senior Legislative Attorney at 312-464-4954 or daniel.blaney-koen@ama-assn.org; or Emily Carroll, JD, Senior Legislative Attorney at 312-464-4967 or emily.carroll@ama-assn.org.

Sincerely,

James L. Madara, MD

Attachment