



**The**  
**Maryland Insurance Administration's**  
**2013 Report**  
**on**  
**The Health Care Appeals & Grievance**  
**Law**

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## **Executive Summary**

In 1998, the Appeals and Grievance Law was enacted by the General Assembly to provide a fair process for resolving disputes regarding the medical necessity of a proposed or delivered health care service (See Title 15, Subtitle 10A of the Insurance Article). Until July 1, 2011, the Appeals and Grievance law applied only to individuals with insured health benefits.<sup>1</sup> However, effective July 1, 2011, the Department of Budget and Management for the State of Maryland and effective June 28, 2013, Cecil County Public Schools voluntarily elected to use the Maryland Insurance Administration's external review process to provide external review for their self-funded employee health benefit plans.

Under the Appeals and Grievance Law, nonprofit health service plans, insurers, health maintenance organizations and dental plan organizations are required to provide quarterly reports to the Maryland Insurance Administration ("Administration") regarding adverse decisions and grievance decisions. These quarterly reports, coupled with the Administration's complaint data, allow for a comprehensive year over year review of this dispute resolution process. This report summarizes the statistical information the Administration has for adverse decisions, grievance decisions and complaints for 2013, noting changes in certain areas since 2010 for nonprofit health service plans, insurers and health maintenance organizations (hereinafter referred to as "carriers"<sup>2</sup>).

Carriers rendered 27,410 adverse decisions in 2013 and 32,320 in 2010, representing a decrease of 15.2 percent over the four year period. Inpatient hospital services, physician services and pharmacy services accounted for the majority of this decrease. Adverse decisions for inpatient hospital services decreased by 70.5 percent from 2010 to 2013 (5,828 in 2010 to 1,722 in 2013). Adverse decisions for physician services decreased by 38.0 percent from 2010 to 2013 (9,508 in 2010 to 5,898 in 2013). Adverse decisions for pharmacy services decreased by 25.5 percent from 2010 to 2013 (4,269 in 2010 to 3,181 in 2013).

In 2013, four categories of services accounted for over 77 percent of all adverse decisions: (1) physician services; (2) laboratory and radiology services; (3) podiatry, dental, optometry and chiropractic services; and (4) pharmacy services. In 2010, these same services accounted for only 65.3 percent of all adverse decisions. In 2010, physician services ranked first in terms of the percentage of all adverse decisions at 29.4 percent (9,508), while in 2013, the category of laboratory and radiology services ranked first at 28.8 percent of all adverse decisions (7,891).

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<sup>1</sup> The Maryland Insurance Administration's 2013 Health Benefit Plan Covered Lives Report indicates that in 2013, 20.5 percent of the population under the age of 65, or a little over 1 million individuals, had insured health benefits.

<sup>2</sup> Although dental plan organizations are required to follow Title 15, Subtitle 10A of the Insurance Article, the number of complaints attributable to these companies is very small. Because of the small volume of complaints, this report is limited to medical type coverage, and does not include plans issued by dental plan organizations.

Over the years, policymakers have expressed concern about denials of emergency room services and mental health services. The data provided by carriers indicate that there are still relatively few adverse decisions for these two types of services (0.9 percent and 2.5 percent of all adverse decisions in 2013, respectively) and that there has been a decrease in the number of adverse decisions for these services from 2010 to 2013. Adverse decisions for emergency room services decreased by 64.7 percent from 2010 to 2013 (674 in 2010 and 238 in 2013) and adverse decisions for mental health services decreased by 33.5 percent from 2010 to 2013 (1033 in 2010 and 687 in 2013).

The number of grievances (the appeal by consumers to carriers of the carriers' adverse decisions) decreased slightly by 0.5 percent between 2010 and 2013. In 2010, over half of all grievances were for inpatient hospital services and physician services. In 2013, the number of grievances for these two services accounted for just under 30 percent of all grievances.

Grievances increased slightly as a percentage of adverse decisions from 2010 to 2013 (12.8% to 15.0%). Carriers were more likely to reverse themselves during the internal grievance process in 2010 than in 2013. Carriers upheld adverse decisions 50.3 percent of the time in 2013 as compared to 41.1 percent in 2010, representing an increase of 9.2 percent in carriers upholding their original adverse decisions at the grievance level.

Consistent with the reduction in the number of grievances filed with carriers by individuals between 2010 and 2013, the number of medical necessity complaints filed with the Administration decreased between 2010 and 2013. The Administration received 817 complaints in 2010 and 795 complaints in 2013, representing a decrease of 2.7 percent. The number of reversals of the grievance decisions by the Administration or by the carrier during the investigation process decreased to 55.8 percent in 2013 from 62.1 percent in 2010.

In 2013, the Administration issued 7 Orders and Consent Orders based on the medical necessity complaints which it received and imposed \$24,500 in administrative penalties. During this same year, the Administration recovered \$567,780 for complainants under the Appeals and Grievance law. By comparison, in 2010 the Administration issued 21 Orders and Consent Orders based on medical necessity complaints it received, imposed \$25,500 in administrative penalties and recovered \$597,433 for complainants. Since the enactment of the Appeals and Grievance law, the Administration has recovered over 7.5 million dollars for complainants. These recoveries demonstrate that the Appeals and Grievance law remains an important protection for Maryland consumers, providing a fair process for resolving disputes regarding the medical necessity of proposed or delivered health care services.

## **Background**

In 1998, the Appeals and Grievance Law was enacted by the General Assembly to provide a full and fair process for resolving disputes regarding the medical necessity of a proposed or delivered health care service.<sup>3</sup> The Appeals and Grievance law applies to individuals with insured health benefits.

When the Appeals and Grievance Law was enacted, the percentage of the population under the age of 65 with insured health benefits (42.8 percent) slightly exceeded the percentage of the population under the age of 65 with other employment based health benefits (37.9 percent). By 2013, the percentage of the population under the age of 65 with insured health benefits declined to 20.5 percent.<sup>4</sup>

The Appeals and Grievance process begins when a carrier makes an “adverse decision,” a determination that a proposed or delivered health care service is not medically necessary. The member, the member’s representative, or the treating provider on behalf of the member has the right to protest this decision through the carrier’s internal review process. When the member files a protest with the carrier, this is a “grievance.” If the carrier again concludes the proposed or delivered health care service is not medically necessary, the member may ask the Maryland Insurance Administration (“Administration”) to review the carrier’s grievance decision by filing a “complaint.”

The Appeals and Grievance Law gives the Administration the authority to contract with independent review organizations to review these medical necessity complaints. When the Administration sends a complaint to an independent review organization for review, Maryland law requires that the review be performed by an unbiased provider in the same specialty as the area or areas appropriate to the subject of review. In addition, an independent review organization may not be a subsidiary of, or in any way be owned or controlled by, a health benefit plan, or a trade association of health benefit plans, or a trade association of health care providers. Based on the independent review organization’s medical opinion, the Administration reaches a decision. If the complainant remains dissatisfied with the Administration’s decision, the complainant may request, in writing, a hearing to challenge the Administration’s decision.<sup>5</sup>

The Appeals and Grievance Law also requires carriers to submit quarterly reports about their adverse decisions and grievance decisions. Specifically, carriers must provide to the Administration:

- The number of adverse decisions issued by the carrier;
- The outcome of each grievance filed with the carrier;
- The number and outcomes of cases that were considered emergency cases;

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<sup>3</sup> Title 15, Subtitle 10A, Insurance Article, Annotated Code of Maryland.

<sup>4</sup> Maryland Insurance Administration’s 2013 Health Benefit Plan Covered Lives Report.

<sup>5</sup> The Memorandum of Understanding between the Maryland Department of Budget and Management does not provide State employees who are covered under a State of Maryland health benefit plan the right to a hearing to appeal the Maryland Insurance Administration’s decision.

- The time within which the carrier made a grievance decision on all other cases that were not considered emergency cases;
- The number of grievances filed with the carrier that resulted from an adverse decision involving length of stay for inpatient hospitalization as related to the medical procedure involved; and
- The number and outcome of all other cases that resulted from an adverse decision involving the length of stay for inpatient hospitalization.

These quarterly reports, coupled with the Administration's data regarding complaints, allows for a comprehensive year over year review of this process. This report summarizes the statistical information the Administration has for adverse decisions, grievance decisions and complaints for 2013, noting changes in certain areas since 2010 for nonprofit health services plans, insurers and health maintenance organizations.

### **Adverse Decisions**

Table 1 provides an overview of the number and type of adverse decisions carriers made in 2010 and 2013. More detailed information about adverse decisions made by each carrier is provided in Appendix 1 for 2013.

Carriers rendered 27,410 adverse decisions in 2013 and 32,320 in 2010 representing a decrease of 15.2 percent over the four year period. Physician services, pharmacy services and inpatient services accounted for the majority of this decrease. Adverse decisions for inpatient services decreased by 70.5 percent (5,828 in 2010 to 1,722 in 2013); adverse decisions for physician services decreased by 38.0 percent (9,508 in 2010 to 5,898 in 2013); and adverse decision for pharmacy services decreased by 25.5 percent (4,269 in 2010 to 3,181 in 2013).

Adverse decisions for physical, occupational and speech therapy services decreased by 51.1 percent from 2010 to 2013 (2,115 in 2010 to 1,034 in 2013). This decrease represents a consistent downward trend in adverse decisions for physical, occupational and speech therapy services since 2010 (2,115 in 2010, 2,049 in 2011, 1,425 in 2012 and 1,034 in 2013).

In 2013, two categories of services accounted for over 50 percent of all adverse decisions: (1) laboratory and radiology services; and (2) physician services. In 2010, these same services accounted for 39.6 percent of all adverse decisions. In 2010, physician services ranked first in terms of the percentage of all adverse decisions at 29.4 percent (9,508). In 2013, physician services ranked second in terms of the percentage of all adverse decisions at 21.5 percent (5,898), while laboratory and radiology services ranked first at 28.8 percent (7,891).

Over the years, policymakers have expressed concern about denials of emergency room services and mental health services. The data provided by carriers indicate that there are still relatively few adverse decisions for these two types of services (0.9 percent and 2.5 percent of all adverse decisions in 2013, respectively) and that there has been a decrease in the number of adverse decisions for these services from 2010 to 2013. Adverse decisions for emergency room services decreased by 64.7 percent from 2010 to 2013 (674 in 2010 to 238 in 2013) and adverse decisions for

mental health services decreased by 33.5 percent from 2010 to 2013 (1033 in 2010 to 687 in 2013).

**Table 1: Adverse Decisions**

|  | 2010          |              | 2013          |              | Percent Change 2010-2013 |
|--|---------------|--------------|---------------|--------------|--------------------------|
|  | Number        | Percent      | Number        | Percent      |                          |
| <b>Inpatient hospital services</b>                     | <b>5,828</b>  | <b>18%</b>   | <b>1,722</b>  | <b>6.3%</b>  | <b>-70.5%</b>            |
| <b>Emergency room services</b>                         | <b>674</b>    | <b>2.1%</b>  | <b>238</b>    | <b>0.9%</b>  | <b>-64.7%</b>            |
| <b>Mental health services</b>                          | <b>1,033</b>  | <b>3.2%</b>  | <b>687</b>    | <b>2.5%</b>  | <b>-33.5%</b>            |
| <b>Physician services</b>                              | <b>9,508</b>  | <b>29.4%</b> | <b>5,898</b>  | <b>21.5%</b> | <b>-38.0%</b>            |
| <b>Laboratory, radiology services</b>                  | <b>3,299</b>  | <b>10.2%</b> | <b>7,891</b>  | <b>28.8%</b> | <b>139.2%</b>            |
| <b>Pharmacy services</b>                               | <b>4,269</b>  | <b>13.2%</b> | <b>3,181</b>  | <b>11.6%</b> | <b>-25.5%</b>            |
| <b>PT, OT, ST services (including inpatient rehab)</b> | <b>2,115</b>  | <b>6.5%</b>  | <b>1,034</b>  | <b>3.8%</b>  | <b>-51.1%</b>            |
| <b>Skilled nursing facility</b>                        | <b>149</b>    | <b>0.5%</b>  | <b>39</b>     | <b>0.1%</b>  | <b>-73.8%</b>            |
| <b>Durable medical equipment</b>                       | <b>1,164</b>  | <b>3.6%</b>  | <b>1,854</b>  | <b>6.8%</b>  | <b>59.3%</b>             |
| <b>Podiatry, dental, optometry, chiropractic</b>       | <b>4,034</b>  | <b>12.5%</b> | <b>4,371</b>  | <b>15.9%</b> | <b>8.4%</b>              |
| <b>Home health services</b>                            | <b>98</b>     | <b>0.3%</b>  | <b>283</b>    | <b>1.0%</b>  | <b>188.8%</b>            |
| <b>Other<sup>6</sup></b>                               | <b>149</b>    | <b>0.5%</b>  | <b>212</b>    | <b>0.8%</b>  | <b>42.3%</b>             |
| <b>Total</b>   | <b>32,320</b> |              | <b>27,410</b> |              | <b>-15.2%</b>            |

**Grievance Decisions**

Table 2 provides an overview of the number and type of grievances carriers reviewed in 2010 and 2013. In 2010, there were 4,124 grievances, decreasing slightly to 4,102 in 2013, representing a 0.5 percent decrease.

While the overall number of grievances remained steady from 2010 to 2013, the categories in which the grievances were filed changed in this time period. In 2010, over half of all grievances were for inpatient hospital services and physician services, 41.8 percent and 15.6 percent, respectively. In 2013, the number of grievances filed for these two services accounted for 29.9 percent of all grievances. The percentage of grievances for physician services increased 25.7 percent, while the percentage of grievances for inpatient hospital services decreased by 76.0 percent.

The number of grievances reported by carriers for emergency room services, laboratory, radiology services and the combined category of podiatry, dental, optometry, and chiropractic services significantly increased by 157.8%, 132.4% and 100.4% percent, respectively, between 2010 and 2013. The number of grievances for durable

<sup>6</sup> Outpatient hospital services, education services, and transportation

medical equipment, pharmacy services and physician services increased by 90 percent, 33.6 percent and 25.7 percent, respectively, between 2010 and 2013.

**Table 2: Grievances**

|  | 2010         |              | 2013         |              | Percent Change<br>2010-2013 |
|--|--------------|--------------|--------------|--------------|-----------------------------|
|  | Number       | Percent      | Number       | Percent      |                             |
| <b>Inpatient hospital services</b>                     | <b>1,723</b> | <b>41.8%</b> | <b>413</b>   | <b>10.1%</b> | <b>-76.0%</b>               |
| <b>Emergency room services</b>                         | <b>83</b>    | <b>2.0%</b>  | <b>214</b>   | <b>5.2%</b>  | <b>157.8%</b>               |
| <b>Mental health services</b>                          | <b>268</b>   | <b>6.5%</b>  | <b>238</b>   | <b>5.8%</b>  | <b>-11.2%</b>               |
| <b>Physician services</b>                              | <b>645</b>   | <b>15.6%</b> | <b>811</b>   | <b>19.8%</b> | <b>25.7%</b>                |
| <b>Laboratory, radiology services</b>                  | <b>247</b>   | <b>6.0%</b>  | <b>574</b>   | <b>14.0%</b> | <b>132.4%</b>               |
| <b>Pharmacy services</b>                               | <b>366</b>   | <b>8.9%</b>  | <b>489</b>   | <b>11.9%</b> | <b>33.6%</b>                |
| <b>PT, OT, ST services (including inpatient rehab)</b> | <b>75</b>    | <b>1.8%</b>  | <b>95</b>    | <b>2.3%</b>  | <b>26.7%</b>                |
| <b>Skilled nursing facility</b>                        | <b>33</b>    | <b>0.8%</b>  | <b>10</b>    | <b>0.2%</b>  | <b>-69.7%</b>               |
| <b>Durable medical equipment</b>                       | <b>110</b>   | <b>2.7%</b>  | <b>209</b>   | <b>5.1%</b>  | <b>90.0%</b>                |
| <b>Podiatry, dental, optometry, chiropractic</b>       | <b>455</b>   | <b>11.0%</b> | <b>912</b>   | <b>22.2%</b> | <b>100.4%</b>               |
| <b>Home health services</b>                            | <b>13</b>    | <b>0.3%</b>  | <b>23</b>    | <b>0.6%</b>  | <b>76.9%</b>                |
| <b>Other</b>   | <b>106</b>   | <b>2.6%</b>  | <b>114</b>   | <b>2.8%</b>  | <b>7.5%</b>                 |
| <b>Total</b>   | <b>4,124</b> |              | <b>4,102</b> |              | <b>-.5%</b>                 |

Table 3 describes how the number of grievances received by carriers compares to the number of adverse decisions that carriers made in 2010 and 2013. Grievances increased as a percentage of adverse decisions from 2010 to 2013 (12.8% to 15%). However, the differences varied according to the category of service. In 8 of the 12 categories, individuals were more likely to appeal an adverse decision in 2013 than in 2010, but in 4 of the 12 categories individuals were less likely to appeal the adverse decision in 2013.

**Table 3: Grievances as a Percent of Adverse Decisions**

|  | <b>2010</b>  | <b>2013</b>  |
|--|--------------|--------------|
| <b>Inpatient hospital services</b>                     | <b>29.6%</b> | <b>24.0%</b> |
| <b>Emergency room services</b>                         | <b>12.3%</b> | <b>89.9%</b> |
| <b>Mental health services</b>                          | <b>25.9%</b> | <b>34.6%</b> |
| <b>Physician services</b>                              | <b>6.8%</b>  | <b>13.8%</b> |
| <b>Laboratory, radiology services</b>                  | <b>7.5%</b>  | <b>7.3%</b>  |
| <b>Pharmacy services</b>                               | <b>8.6%</b>  | <b>15.4%</b> |
| <b>PT, OT, ST services (including inpatient rehab)</b> | <b>3.5%</b>  | <b>9.2%</b>  |
| <b>Skilled nursing facility</b>                        | <b>22.1%</b> | <b>25.6%</b> |
| <b>Durable medical equipment</b>                       | <b>9.5%</b>  | <b>11.3%</b> |
| <b>Podiatry, dental, optometry, chiropractic</b>       | <b>11.3%</b> | <b>20.9%</b> |
| <b>Home health services</b>                            | <b>13.3%</b> | <b>8.1%</b>  |
| <b>Other</b>   | <b>71.1%</b> | <b>53.8%</b> |
| <b>Total</b>   | <b>12.8%</b> | <b>15.0%</b> |

Table 4 compares how often carriers upheld their original decisions in 2010 and in 2013. More detailed information about grievance decisions for each carrier may be found in Appendices 2 and 3 for 2013. Carriers upheld adverse decisions 50.3 percent of the time in 2013 as compared to 41.1 percent in 2010, indicating that carriers were 9.2 percent more likely to uphold an adverse decision in 2013 than in 2010.

**Table 4: Grievance Decisions**

|   | <b>2010</b>   |                | <b>2013</b>   |                |
|---|---------------|----------------|---------------|----------------|
|   | <b>Number</b> | <b>Percent</b> | <b>Number</b> | <b>Percent</b> |
| <b>Carrier upheld adverse decision</b>            | <b>1,696</b>  | <b>41.1</b>    | <b>2,065</b>  | <b>50.3%</b>   |
| <b>Carrier overturned adverse decision</b>        | <b>2,182</b>  | <b>52.9</b>    | <b>1,850</b>  | <b>45.1%</b>   |
| <b>Carrier modified original adverse decision</b> | <b>246</b>    | <b>6.0</b>     | <b>187</b>    | <b>4.6%</b>    |
| <b>Total</b>                                      | <b>4,124</b>  |                | <b>4,102</b>  |                |

## **Complaints**

Just as the number of adverse decisions and grievance decisions decreased between 2010 and 2013, the number of complaints filed with the Administration also decreased in this same time period. The Administration received 817 complaints in 2010 and 795 complaints in 2013, representing a decrease of 2.7 percent. As summarized in Table 5, 31.3 percent of the complaints received in 2013 were outside of the Administration's jurisdiction, as were 33.3 percent of the complaints received in 2010. These cases beyond the Administration's jurisdiction included complaints filed by individuals covered under Medicare, Medicaid, the Federal Employee Health Benefit Plan, employer group self-funded plans, and contracts subject to the laws of states other than Maryland.

In 2010, the Administration modified or reversed the carrier's grievance decision (or the carrier reversed its own grievance decision during the course of the Administration's investigation) 62.1 percent of the time. In 2013, the Administration reversed or modified the carrier's grievance decision (or the carrier reversed or modified its own grievance decision during the investigation) 55.8 percent of the time, representing a decrease in reversals of 6.3 percent. All of the reversals of the carriers' grievance decisions resulted in more benefits for Maryland consumers.

In 2013, the Administration issued 7 Orders and Consent Orders based on the medical necessity complaints which it received and imposed \$24,500 in administrative penalties. During this same year, the Administration recovered \$567,780 for complainants. By comparison, in 2010, the Administration issued 21 Orders and Consent Orders based on medical necessity complaints it received, imposed \$25,500 in administrative penalties and recovered \$597,433 for complainants. Since the enactment of the Appeals and Grievance law, the Administration has recovered just over 7.5 million dollars for complainants. Summaries of the Orders for 2013 are found in Appendix 9.

In 2011, the Administration entered into an agreement with the Maryland Department of Budget and Management to perform the external review for the medical necessity type complaints filed by State employees. In 2013, the Administration entered into a similar agreement with Cecil County Public Schools to perform the same function. This meant that during 2013, State employees and Cecil County Public School employees could use the Administration's external review process for their medical necessity type complaints. In 2013, the Administration received 124 complaints from State employees compared to the 57 complaints received in 2012. The Administration did not receive any complaints involving denials based on medical necessity from Cecil County Public Schools employees in 2013.

**Table 5: Complaints**

|   | <b>2010</b>  | <b>2013</b>  | <b>Percent Change</b> |
|---|--------------|--------------|-----------------------|
| <b>Total complaints received</b>  | <b>817</b>   | <b>795</b>   | <b>-2.7%</b>          |
| <b>No Jurisdiction</b>  | <b>272</b>   | <b>249</b>   | <b>-8.5%</b>          |
| <b>Complaint withdrawn</b>  | <b>12</b>    | <b>6</b>     | <b>-50%</b>           |
| <b>Insufficient Information to perform investigation</b>  | <b>51</b>    | <b>63</b>    | <b>23.5%</b>          |
| <b>No action required</b>   | <b>55</b>    | <b>63</b>    | <b>14.5%</b>          |
| <b>Referred to HEAU</b>   | <b>84</b>    | <b>58</b>    | <b>-31.0%</b>         |
| <b>Complaints investigated by MIA</b>   | <b>343</b>   | <b>319</b>   | <b>-7.0%</b>          |
| <b>Percent of total complaints investigated by the MIA</b>  | <b>42%</b>   | <b>40.1%</b> | <b>-1.9%</b>          |
| <b>Number of complaints carrier or MIA reversed or modified grievance decision</b>                                  | <b>213</b>   | <b>178</b>   | <b>-16.4%</b>         |
| <b>Percent of total complaints investigated by MIA where carrier or MIA reversed or modified grievance decision</b> | <b>62.1%</b> | <b>55.8%</b> | <b>-6.3%</b>          |

**Conclusions**

Between 2010 and 2013, the number of adverse decisions decreased by 15.2 percent, the number of grievance decisions decreased by 0.5 percent, and the number of medical necessity complaints investigated<sup>7</sup> by the Administration decreased by 7 percent.

Carriers rendered 27,410 adverse decisions in 2013 and 32,320 in 2010, representing a decrease of 15.2 percent over the four year period. Between 2010 and 2013, there was a decrease in adverse decisions for the following seven categories: (1) physician services; (2) pharmacy services; (3) inpatient hospital services; (4) physical therapy, occupational therapy and speech therapy services; (5) mental health services; (6) emergency room services; and (7) skilled nursing facility services. Between 2010 and 2013, there was an increase in adverse decisions for the following four categories of services: (1) laboratory and radiology services; (2) podiatry, dental, optometry and chiropractic services; (3) durable medical equipment; and (4) home health services. Between 2010 and 2013, the largest decline in the number of adverse decisions was for inpatient hospital services and the largest increase in the number of adverse decisions was laboratory and radiology services.

Grievances increased as a percentage of adverse decisions from 2010 to 2013 (12.8% to 15%), suggesting that consumers were more likely to take advantage of the carriers' internal grievance process in 2013 than in 2010. When consumers filed grievances regarding an initial adverse decision, carriers overturned their adverse decision 49.7 percent of the time in 2013, compared to 58.9 percent in 2010. This

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<sup>7</sup> As set forth in Appendix 8, a number of the complaints received by the Appeals and Grievance unit cannot be investigated due to a variety of reasons, including the complainant being covered under a contract that is not subject to the jurisdiction of the Maryland Insurance Administration, the complainant not previously exhausting the carrier's internal complaint process, the complainant withdrawing the complaint, and the complainant's refusal to provide a medical release.

suggests that carriers were less likely to reverse their original adverse decision when a consumer filed a grievance in 2013 than in 2010.

In 2013, the Administration achieved a carrier reversal of 55.8 percent for complaints that were investigated by the Administration. In 2013, the Administration recovered \$567,780 for complainants under the Appeals and Grievance Law. Since the Appeals and Grievance Law was enacted by the General Assembly, the Administration has recovered over 7.5 million dollars for complainants. The Appeals and Grievance Law remains an important protection for Maryland consumers, providing a fair and balanced process for resolving disputes regarding the medical necessity of proposed or delivered health care services.

**APPENDIX 1  
ADVERSE DECISIONS BY CARRIER**

| COMPANY<br>NAME                                    | ADVERSE DECISIONS |                       | A. INPATIENT<br>HOSPITAL SERVICES |             | B. EMERGENCY<br>ROOM SERVICES |             |
|--|-------------------|-----------------------|-----------------------------------|-------------|-------------------------------|-------------|
|  | COMPANY<br>TOTAL  | % OF ALL<br>COMPANIES | NUMBER                            | % TOTAL     | NUMBER                        | % TOTAL     |
|  |                   |                       |                                   |             |                               |             |
| Aetna Health, Inc.                                 | 281               | 1.03%                 | 130                               | 46.3%       | 0                             | 0.0%        |
| Aetna Life Insurance Company                       | 283               | 1.03%                 | 124                               | 43.8%       | 0                             | 0.0%        |
| Ameritas Life Insurance Corp.                      | 166               | 0.61%                 | 0                                 | 0.0%        | 0                             | 0.0%        |
| CareFirst BlueChoice, Inc.                         | 7205              | 26.29%                | 33                                | 0.5%        | 1                             | 0.0%        |
| CareFirst of Maryland, Inc.                        | 2513              | 9.17%                 | 5                                 | 0.2%        | 0                             | 0.0%        |
| Cigna Health and Life Insurance Company            | 3120              | 11.38%                | 176                               | 5.6%        | 0                             | 0.0%        |
| Connecticut General Life Insurance Company         | 454               | 1.66%                 | 21                                | 4.6%        | 0                             | 0.0%        |
| *Coventry Health Care of Delaware, Inc.            | 1835              | 6.69%                 | 653                               | 35.6%       | 233                           | 12.7%       |
| Golden Rule Insurance Company                      | 34                | 0.12%                 | 3                                 | 8.8%        | 0                             | 0.0%        |
| Group Hospitalization & Medical Services, Inc.     | 5516              | 20.12%                | 60                                | 1.1%        | 3                             | 0.1%        |
| Guardian Life Ins Company of America               | 678               | 2.47%                 | 0                                 | 0.0%        | 0                             | 0.0%        |
| John Alden Life Insurance Company                  | 1                 | 0.00%                 | 0                                 | 0.0%        | 0                             | 0.0%        |
| Kaiser Foundation Health Plan-Mid-Atlantic         | 651               | 2.38%                 | 2                                 | 0.3%        | 1                             | 0.2%        |
| Kaiser Permanente Insurance Company                | 99                | 0.36%                 | 1                                 | 1.0%        | 0                             | 0.0%        |
| Lincoln National Life Insurance Company            | 34                | 0.12%                 | 0                                 | 0.0%        | 0                             | 0.0%        |
| Lincoln Life & Annuity Company of New York         | 1                 | 0.00%                 | 0                                 | 0.0%        | 0                             | 0.0%        |
| MAMSI Life & Health Insurance Company              | 121               | 0.44%                 | 44                                | 36.4%       | 0                             | 0.0%        |
| MD-Individual Practice Association, Inc.           | 3                 | 0.01%                 | 2                                 | 66.7%       | 0                             | 0.0%        |
| Nationwide Life Insurance Company                  | 5                 | 0.02%                 | 1                                 | 20.0%       | 0                             | 0.0%        |
| Optimum Choice, Inc.                               | 934               | 3.41%                 | 277                               | 29.7%       | 0                             | 0.0%        |
| Reliance Standard Life Insurance Company           | 33                | 0.12%                 | 0                                 | 0.0%        | 0                             | 0.0%        |
| Standard Insurance Company                         | 18                | 0.07%                 | 0                                 | 0.0%        | 0                             | 0.0%        |
| Sun Life Assurance Company of Canada               | 58                | 0.21%                 | 0                                 | 0.0%        | 0                             | 0.0%        |
| Time Insurance Company                             | 8                 | 0.03%                 | 0                                 | 0.0%        | 0                             | 0.0%        |
| Union Security Insurance Company                   | 38                | 0.14%                 | 0                                 | 0.0%        | 0                             | 0.0%        |
| United Concordia Life and Health Insurance Company | 1394              | 5.09%                 | 0                                 | 0.0%        | 0                             | 0.0%        |
| UnitedHealthcare Insurance Company                 | 1424              | 5.20%                 | 166                               | 11.7%       | 0                             | 0.0%        |
| UnitedHealthcare of the Mid-Atlantic, Inc.         | 503               | 1.84%                 | 24                                | 4.8%        | 0                             | 0.0%        |
| <b>Total</b>                                       | <b>27410</b>      | <b>100.00%</b>        | <b>1722</b>                       | <b>6.3%</b> | <b>238</b>                    | <b>0.9%</b> |

\*Adverse decisions for Coventry Health and Life Insurance Company and Coventry Health Care of Delaware, Inc. appear in Appendix 1 as a combined filing under Coventry Health Care of Delaware, Inc.

**APPENDIX 1  
ADVERSE DECISIONS BY CARRIER**

| COMPANY NAME                                       | C. MENTAL HEALTH SERVICES |             | D. PHYSICIAN SERVICES |              | E. LABORATORY, RADIOLOGY SERVICES |              |
|--|---------------------------|-------------|-----------------------|--------------|-----------------------------------|--------------|
|  | NUMBER                    | % TOTAL     | NUMBER                | % TOTAL      | NUMBER                            | % TOTAL      |
| Aetna Health, Inc.                                 | 17                        | 6.0%        | 110                   | 39.1%        | 0                                 | 0.0%         |
| Aetna Life Insurance Company                       | 11                        | 3.9%        | 122                   | 43.1%        | 0                                 | 0.0%         |
| Ameritas Life Insurance Corp.                      | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| CareFirst BlueChoice, Inc.                         | 254                       | 3.5%        | 2182                  | 30.3%        | 1786                              | 24.8%        |
| CareFirst of Maryland, Inc.                        | 39                        | 1.6%        | 645                   | 25.7%        | 637                               | 25.3%        |
| Cigna Health and Life Insurance Company            | 7                         | 0.2%        | 55                    | 1.8%         | 2564                              | 82.2%        |
| Connecticut General Life Insurance Company         | 8                         | 1.8%        | 12                    | 2.6%         | 345                               | 76.0%        |
| *Coventry Health Care of Delaware, Inc.            | 0                         | 0.0%        | 314                   | 17.1%        | 81                                | 4.4%         |
| Golden Rule Insurance Company                      | 0                         | 0.0%        | 2                     | 5.9%         | 20                                | 58.8%        |
| Group Hospitalization & Medical Services, Inc.     | 160                       | 2.9%        | 1515                  | 27.5%        | 1187                              | 21.5%        |
| Guardian Life Ins Company of America               | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| John Alden Life Insurance Company                  | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Kaiser Foundation Health Plan-Mid-Atlantic         | 6                         | 0.9%        | 285                   | 43.8%        | 23                                | 3.5%         |
| Kaiser Permanente Insurance Company                | 0                         | 0.0%        | 28                    | 28.3%        | 31                                | 31.3%        |
| Lincoln National Life Insurance Company            | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Lincoln Life & Annuity Company of New York         | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| MAMSI Life & Health Insurance Company              | 0                         | 0.0%        | 23                    | 19.0%        | 17                                | 14.0%        |
| MD-Individual Practice Association, Inc.           | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Nationwide Life Insurance Company                  | 0                         | 0.0%        | 4                     | 80.0%        | 0                                 | 0.0%         |
| Optimum Choice, Inc.                               | 0                         | 0.0%        | 173                   | 18.5%        | 294                               | 31.5%        |
| Reliance Standard Life Ins Company                 | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Standard Insurance Company                         | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Sun Life Assurance Company of Canada               | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Time Insurance Company                             | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Union Security Insurance Company                   | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| United Concordia Life and Health Insurance Company | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| UnitedHealthcare Insurance Company                 | 3                         | 0.2%        | 325                   | 22.8%        | 754                               | 52.9%        |
| UnitedHealthcare of the Mid-Atlantic, Inc.         | 182                       | 36.2%       | 103                   | 20.5%        | 152                               | 30.2%        |
| <b>Total</b>                                       | <b>687</b>                | <b>2.5%</b> | <b>5898</b>           | <b>21.5%</b> | <b>7891</b>                       | <b>28.8%</b> |

\*Adverse decisions for Coventry Health and Life Insurance Company and Coventry Health Care of Delaware, Inc. appear in Appendix 1 as a combined filing under Coventry Health Care of Delaware, Inc.

**APPENDIX 1  
ADVERSE DECISIONS BY CARRIER**

| COMPANY NAME                                       | F. PHARMACY SERVICES |              | G. PT, OT, ST SERVICES<br>(incl INPAT REHAB) |             | H. SKILLED NURS FAC,<br>Sub Acute, Nurs Home |             |
|--|----------------------|--------------|--|-------------|--|-------------|
|  | NUMBER               | % TOTAL      | NUMBER                                       | % TOTAL     | NUMBER                                       | % TOTAL     |
| Aetna Health, Inc.                                 | 12                   | 4.3%         | 3  | 1.1%        | 6  | 2.1%        |
| Aetna Life Insurance Company                       | 11                   | 3.9%         | 0  | 0.0%        | 8  | 2.8%        |
| Ameritas Life Insurance Corp.                      | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| CareFirst BlueChoice, Inc.                         | 1395                 | 19.4%        | 383  | 5.3%        | 13   | 0.2%        |
| CareFirst of Maryland, Inc.                        | 197                  | 7.8%         | 164  | 6.5%        | 2  | 0.1%        |
| Cigna Health and Life Insurance Company            | 220                  | 7.1%         | 25   | 0.8%        | 0  | 0.0%        |
| Connecticut General Life Insurance Company         | 52                   | 11.5%        | 1  | 0.2%        | 0  | 0.0%        |
| *Coventry Health Care of Delaware, Inc.            | 439                  | 23.9%        | 29   | 1.6%        | 2  | 0.1%        |
| Golden Rule Insurance Company                      | 0                    | 0.0%         | 4  | 11.8%       | 2  | 5.9%        |
| Group Hospitalization & Medical Services, Inc.     | 855                  | 15.5%        | 313  | 5.7%        | 2  | 0.0%        |
| Guardian Life Ins Company of America               | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| John Alden Life Insurance Company                  | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| Kaiser Foundation Health Plan-Mid-Atlantic         | 0                    | 0.0%         | 65   | 10.0%       | 3  | 0.5%        |
| Kaiser Permanente Insurance Company                | 0                    | 0.0%         | 16   | 16.2%       | 0  | 0.0%        |
| Lincoln National Life Insurance Company            | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| Lincoln Life & Annuity Company of New York         | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| MAMSI Life & Health Insurance Company              | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| MD-Individual Practice Association, Inc.           | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| Nationwide Insurance Company                       | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| Optimum Choice, Inc.                               | 0                    | 0.0%         | 27   | 2.9%        | 1  | 0.1%        |
| Reliance Standard Life Insurance Company           | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| Standard Insurance Company                         | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| Sun Life Assurance Company of Canada               | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| Time Insurance Company                             | 0                    | 0.0%         | 1  | 12.5%       | 0  | 0.0%        |
| Union Security Insurance Company                   | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| United Concordia Life and Health Insurance Company | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| UnitedHealthcare Insurance Company                 | 0                    | 0.0%         | 3  | 0.2%        | 0  | 0.0%        |
| UnitedHealthcare of the Mid-Atlantic, Inc.         | 0                    | 0.0%         | 0  | 0.0%        | 0  | 0.0%        |
| <b>Total</b>                                       | <b>3181</b>          | <b>11.6%</b> | <b>1034</b>                                  | <b>3.8%</b> | <b>39</b>                                    | <b>0.1%</b> |

\*Adverse decisions for Coventry Health and Life Insurance Company and Coventry Health Care of Delaware, Inc. appear in Appendix 1 as a combined filing under Coventry Health Care of Delaware, Inc.

**APPENDIX 1  
ADVERSE DECISIONS BY CARRIER**

| COMPANY NAME                                | I. DURABLE MEDICAL EQUIPMENT SERVICES |             | J. PODIATRY, DENTAL, OPTOMETRY, CHIRO |              | K. HOME HEALTH SERVICES |             | *L. OTHER  |             |
|---|---------------------------------------|-------------|---------------------------------------|--------------|-------------------------|-------------|------------|-------------|
|   | NUMBER                                | %TOTAL      | NUMBER                                | % TOTAL      | NUMBER                  | % TOTAL     | NUMBER     | % TOTAL     |
| Aetna Health, Inc.                          | 1                                     | 0.4%        | 0                                     | 0.0%         | 1                       | 0.4%        | 1          | 0.4%        |
| Aetna Life Insurance Company                | 2                                     | 0.7%        | 0                                     | 0.0%         | 5                       | 1.8%        | 0          | 0.0%        |
| Ameritas Life Insurance Corp.               | 0                                     | 0.0%        | 166                                   | 100.0%       | 0                       | 0.0%        | 0          | 0.0%        |
| CareFirst BlueChoice, Inc.                  | 716                                   | 9.9%        | 272                                   | 3.8%         | 132                     | 1.8%        | 38         | 0.5%        |
| CareFirst of Maryland, Inc.                 | 214                                   | 8.5%        | 599                                   | 23.8%        | 11                      | 0.4%        | 0          | 0.0%        |
| Cigna Health and Life Insurance Company     | 19                                    | 0.6%        | 41                                    | 1.3%         | 13                      | 0.4%        | 0          | 0.0%        |
| Connecticut General Life Insurance Co.      | 3                                     | 0.7%        | 11                                    | 2.4%         | 1                       | 0.2%        | 0          | 0.0%        |
| *Coventry Health Care of Delaware, Inc.     | 72                                    | 3.9%        | 0                                     | 0.0%         | 12                      | 0.7%        | 0          | 0.0%        |
| Golden Rule Insurance Company               | 0                                     | 0.0%        | 0                                     | 0.0%         | 1                       | 2.9%        | 2          | 5.9%        |
| Group Hospitalization & Medical Serv., Inc. | 466                                   | 8.4%        | 872                                   | 15.8%        | 79                      | 1.4%        | 4          | 0.1%        |
| Guardian Life Insurance Co. of America      | 0                                     | 0.0%        | 678                                   | 100.0%       | 0                       | 0.0%        | 0          | 0.0%        |
| John Alden Life Insurance Company           | 0                                     | 0.0%        | 1                                     | 100.0%       | 0                       | 0.0%        | 0          | 0.0%        |
| Kaiser Foundation Health Plan-Mid-Atlantic  | 136                                   | 20.9%       | 107                                   | 16.4%        | 11                      | 1.7%        | 12         | 1.8%        |
| Kaiser Permanente Insurance Company         | 6                                     | 6.1%        | 1                                     | 1.0%         | 0                       | 0.0%        | 16         | 16.2%       |
| Lincoln National Life Insurance Company     | 0                                     | 0.0%        | 34                                    | 100.0%       | 0                       | 0.0%        | 0          | 0.0%        |
| Lincoln Life & Annuity Co. New York         | 0                                     | 0.0%        | 1                                     | 100.0%       | 0                       | 0.0%        | 0          | 0.0%        |
| MAMSI Life & Health Insurance Company       | 13                                    | 10.7%       | 2                                     | 1.7%         | 5                       | 4.1%        | 17         | 14.0%       |
| MD-Individual Practice Association, Inc.    | 0                                     | 0.0%        | 0                                     | 0.0%         | 0                       | 0.0%        | 1          | 33.3%       |
| Nationwide Insurance Company                | 0                                     | 0.0%        | 0                                     | 0.0%         | 0                       | 0.0%        | 0          | 0.0%        |
| Optimum Choice, Inc.                        | 89                                    | 9.5%        | 29                                    | 3.1%         | 3                       | 0.3%        | 41         | 4.4%        |
| Reliance Standard Life Insurance Company    | 0                                     | 0.0%        | 33                                    | 100.0%       | 0                       | 0.0%        | 0          | 0.0%        |
| Standard Insurance Company                  | 0                                     | 0.0%        | 18                                    | 100.0%       | 0                       | 0.0%        | 0          | 0.0%        |
| Sun Life Assurance Company of Canada        | 0                                     | 0.0%        | 58                                    | 100.0%       | 0                       | 0.0%        | 0          | 0.0%        |
| Time Insurance Company                      | 0                                     | 0.0%        | 4                                     | 50.0%        | 0                       | 0.0%        | 3          | 37.5%       |
| Union Security Insurance Company            | 0                                     | 0.0%        | 38                                    | 100.0%       | 0                       | 0.0%        | 0          | 0.0%        |
| United Concordia Life and Health Ins. Co.   | 0                                     | 0.0%        | 1394                                  | 100.0%       | 0                       | 0.0%        | 0          | 0.0%        |
| UnitedHealthcare Insurance Company          | 94                                    | 6.6%        | 10                                    | 0.7%         | 9                       | 0.6%        | 60         | 4.2%        |
| UnitedHealthcare of the Mid-Atlantic, Inc.  | 23                                    | 4.6%        | 2                                     | 0.4%         | 0                       | 0.0%        | 17         | 3.4%        |
| <b>Total</b>                                | <b>1854</b>                           | <b>6.8%</b> | <b>4371</b>                           | <b>15.9%</b> | <b>283</b>              | <b>1.0%</b> | <b>212</b> | <b>0.8%</b> |

\*L=Outpatient Hospital Services, Education Services, and Transportation

\*Adverse decisions for Coventry Health and Life Insurance Company and Coventry Health Care of Delaware, Inc. appear in Appendix 1 as a combined filing under Coventry Health Care of Delaware, Inc.

**APPENDIX 2  
GRIEVANCE DECISIONS BY CARRIER**

| COMPANY NAME                                   | GRIEVANCES FILED |                    | A. INPATIENT HOSPITAL SERVICES |              | B. EMERGENCY ROOM SERVICES |             |
|--|------------------|--------------------|--------------------------------|--------------|----------------------------|-------------|
|  | COMPANY TOTAL    | % OF ALL COMPANIES | NUMBER                         | % TOTAL      | NUMBER                     | % TOTAL     |
| Aetna Health, Inc.                             | 134              | 3.3%               | 8                              | 6.0%         | 0                          | 0.0%        |
| Aetna Life Insurance Company                   | 208              | 5.1%               | 3                              | 1.4%         | 0                          | 0.0%        |
| Ameritas Life Insurance Corp.                  | 34               | 0.8%               | 0                              | 0.0%         | 0                          | 0.0%        |
| CareFirst BlueChoice, Inc.                     | 708              | 17.3%              | 17                             | 2.4%         | 11                         | 1.6%        |
| CareFirst of Maryland, Inc.                    | 262              | 6.4%               | 1                              | 0.4%         | 0                          | 0.0%        |
| Cigna Health and Life Insurance Company        | 141              | 3.4%               | 30                             | 21.3%        | 0                          | 0.0%        |
| Connecticut General Life Insurance Company     | 101              | 2.5%               | 34                             | 33.7%        | 0                          | 0.0%        |
| *Coventry Health Care of Delaware, Inc.        | 791              | 19.3%              | 286                            | 36.2%        | 199                        | 25.2%       |
| Golden Rule Insurance Company                  | 19               | 0.5%               | 5                              | 26.3%        | 0                          | 0.0%        |
| Group Hospitalization & Medical Services, Inc. | 476              | 11.6%              | 6                              | 1.3%         | 1                          | 0.2%        |
| Guardian Life Insurance Company of America     | 253              | 6.2%               | 0                              | 0.0%         | 0                          | 0.0%        |
| Kaiser Foundation Health Plan-Mid-Atlantic     | 82               | 2.0%               | 2                              | 2.4%         | 0                          | 0.0%        |
| Kaiser Permanente Insurance Company            | 24               | 0.6%               | 1                              | 4.2%         | 0                          | 0.0%        |
| MAMSI Life & Health Insurance Company          | 2                | 0.0%               | 1                              | 50.0%        | 0                          | 0.0%        |
| MD-Individual Practice Association, Inc.       | 96               | 2.3%               | 12                             | 12.5%        | 3                          | 3.1%        |
| Nationwide Life Insurance Company              | 3                | 0.1%               | 0                              | 0.0%         | 0                          | 0.0%        |
| New York Life Insurance Company                | 2                | 0.0%               | 0                              | 0.0%         | 0                          | 0.0%        |
| Optimum Choice, Inc.                           | 83               | 2.0%               | 5                              | 6.0%         | 0                          | 0.0%        |
| Reliance Standard Life Ins. Company            | 4                | 0.1%               | 0                              | 0.0%         | 0                          | 0.0%        |
| Standard Insurance Company                     | 5                | 0.1%               | 0                              | 0.0%         | 0                          | 0.0%        |
| Standard Security Life Ins. Co. of New York    | 2                | 0.0%               | 0                              | 0.0%         | 0                          | 0.0%        |
| Sun Life Assurance Company of Canada           | 9                | 0.2%               | 0                              | 0.0%         | 0                          | 0.0%        |
| Time Insurance Company                         | 1                | 0.0%               | 0                              | 0.0%         | 0                          | 0.0%        |
| Union Security Insurance Company               | 38               | 0.9%               | 0                              | 0.0%         | 0                          | 0.0%        |
| United Concordia Life & Health Insurance Co.   | 296              | 7.2%               | 0                              | 0.0%         | 0                          | 0.0%        |
| UnitedHealthCare Insurance Company             | 246              | 6.0%               | 2                              | 0.8%         | 0                          | 0.0%        |
| UnitedHealthCare of the Mid-Atlantic, Inc.     | 82               | 2.0%               | 0                              | 0.0%         | 0                          | 0.0%        |
| <b>TOTAL</b>                                   | <b>4102</b>      | <b>100.0%</b>      | <b>413</b>                     | <b>10.1%</b> | <b>214</b>                 | <b>5.2%</b> |

\*Grievance decisions for Coventry Health and Life Insurance Company and Coventry Health Care of Delaware, Inc. appear in Appendix 2 as a combined filing under Coventry Health Care of Delaware, Inc.

**APPENDIX 2  
GRIEVANCE DECISIONS BY CARRIER**

| COMPANY NAME                                   | C. MENTAL HEALTH SERVICES |             | D. PHYSICIAN SERVICES |              | E. LABORATORY, RADIOLOGY SERVICES |              |
|--|---------------------------|-------------|-----------------------|--------------|-----------------------------------|--------------|
|  | NUMBER                    | % TOTAL     | NUMBER                | % TOTAL      | NUMBER                            | % TOTAL      |
| Aetna Health, Inc.                             | 3                         | 2.2%        | 96                    | 71.6%        | 16                                | 11.9%        |
| Aetna Life Insurance Company                   | 14                        | 6.7%        | 141                   | 67.8%        | 36                                | 17.3%        |
| Ameritas Life Insurance Corp.                  | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| CareFirst BlueChoice, Inc.                     | 97                        | 13.7%       | 159                   | 22.5%        | 146                               | 20.6%        |
| CareFirst of Maryland, Inc.                    | 8                         | 3.1%        | 27                    | 10.3%        | 44                                | 16.8%        |
| Cigna Health and Life Insurance Company        | 5                         | 3.5%        | 44                    | 31.2%        | 32                                | 22.7%        |
| Connecticut General Life Insurance Company     | 4                         | 4.0%        | 26                    | 25.7%        | 17                                | 16.8%        |
| *Coventry Health Care of Delaware, Inc.        | 0                         | 0.0%        | 105                   | 13.3%        | 81                                | 10.2%        |
| Golden Rule Insurance Company                  | 0                         | 0.0%        | 5                     | 26.3%        | 6                                 | 31.6%        |
| Group Hospitalization & Medical Services, Inc. | 35                        | 7.4%        | 74                    | 15.5%        | 76                                | 16.0%        |
| Guardian Life Insurance Company of America     | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Kaiser Foundation Health Plan-Mid-Atlantic     | 19                        | 23.2%       | 33                    | 40.2%        | 7                                 | 8.5%         |
| Kaiser Permanente Insurance Company            | 0                         | 0.0%        | 8                     | 33.3%        | 7                                 | 29.2%        |
| MAMSI Life & Health Insurance Company          | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| MD-Individual Practice Association, Inc.       | 0                         | 0.0%        | 14                    | 14.6%        | 16                                | 16.7%        |
| Nationwide Life Insurance Company              | 0                         | 0.0%        | 3                     | 100.0%       | 0                                 | 0.0%         |
| New York Life Insurance Company                | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Optimum Choice, Inc.                           | 0                         | 0.0%        | 15                    | 18.1%        | 22                                | 26.5%        |
| Reliance Standard Life Ins. Company            | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Standard Insurance Company                     | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Standard Security Life Ins. Co. of New York    | 0                         | 0.0%        | 2                     | 100.0%       | 0                                 | 0.0%         |
| Sun Life Assurance Company of Canada           | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Time Insurance Company                         | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| Union Security Insurance Company               | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| United Concordia Life & Health Insurance Co.   | 0                         | 0.0%        | 0                     | 0.0%         | 0                                 | 0.0%         |
| UnitedHealthCare Insurance Company             | 1                         | 0.4%        | 54                    | 22.0%        | 64                                | 26.0%        |
| UnitedHealthCare of the Mid-Atlantic, Inc.     | 52                        | 63.4%       | 5                     | 6.1%         | 4                                 | 4.9%         |
| <b>TOTAL</b>                                   | <b>238</b>                | <b>5.8%</b> | <b>811</b>            | <b>19.8%</b> | <b>574</b>                        | <b>14.0%</b> |

\*Grievance decisions for Coventry Health and Life Insurance Company and Coventry Health Care of Delaware, Inc. appear in Appendix 2 as a combined filing under Coventry Health Care of Delaware, Inc.

**APPENDIX 2  
GRIEVANCE DECISIONS BY CARRIER**

| COMPANY NAME                                   | F. PHARMACY SERVICES |              | G. PT. OT, ST SERVICES |             | H. SKILLED NURSING FACILITY,<br>Sub Acute, Nursing Home |             |
|--|----------------------|--------------|------------------------|-------------|---|-------------|
|  | NUMBER               | % TOTAL      | NUMBER                 | % TOTAL     | NUMBER  | % TOTAL     |
| Aetna Health, Inc.                             | 6                    | 4.5%         | 0                      | 0.0%        | 1   | 0.7%        |
| Aetna Life Insurance Company                   | 5                    | 2.4%         | 2                      | 1.0%        | 1   | 0.5%        |
| Ameritas Life Insurance Corp.                  | 0                    | 0.0%         | 0                      | 0.0%        | 0   | 0.0%        |
| CareFirst BlueChoice, Inc.                     | 203                  | 28.7%        | 12                     | 1.7%        | 2   | 0.3%        |
| CareFirst of Maryland, Inc.                    | 25                   | 9.5%         | 4                      | 1.5%        | 3   | 1.1%        |
| Cigna Health and Life Insurance Company        | 15                   | 10.6%        | 5                      | 3.5%        | 0   | 0.0%        |
| Connecticut General Life Insurance Company     | 7                    | 6.9%         | 2                      | 2.0%        | 0   | 0.0%        |
| *Coventry Health Care of Delaware, Inc.        | 31                   | 3.9%         | 37                     | 4.7%        | 0   | 0.0%        |
| Golden Rule Insurance Company                  | 0                    | 0.0%         | 2                      | 10.5%       | 0   | 0.0%        |
| Group Hospitalization & Medical Services, Inc. | 125                  | 26.3%        | 8                      | 1.7%        | 2   | 0.4%        |
| Guardian Life Insurance Company of America     | 0                    | 0.0%         | 0                      | 0.0%        | 0   | 0.0%        |
| Kaiser Foundation Health Plan-Mid-Atlantic     | 0                    | 0.0%         | 7                      | 8.5%        | 1   | 1.2%        |
| Kaiser Permanente Insurance Company            | 0                    | 0.0%         | 4                      | 16.7%       | 0   | 0.0%        |
| MAMSI Life & Health Insurance Company          | 1                    | 50.0%        | 0                      | 0.0%        | 0   | 0.0%        |
| MD-Individual Practice Association, Inc.       | 0                    | 0.0%         | 2                      | 2.1%        | 0   | 0.0%        |
| Nationwide Life Insurance Company              | 0                    | 0.0%         | 0                      | 0.0%        | 0   | 0.0%        |
| New York Life Insurance Company                | 0                    | 0.0%         | 0                      | 0.0%        | 0   | 0.0%        |
| Optimum Choice, Inc.                           | 9                    | 10.8%        | 2                      | 2.4%        | 0   | 0.0%        |
| Reliance Standard Life Insurance Company       | 0                    | 0.0%         | 0                      | 0.0%        | 0   | 0.0%        |
| Standard Insurance Company                     | 0                    | 0.0%         | 0                      | 0.0%        | 0   | 0.0%        |
| Standard Security Life Ins. Co. of New York    | 0                    | 0.0%         | 0                      | 0.0%        | 0   | 0.0%        |
| Sun Life Assurance Company of Canada           | 0                    | 0.0%         | 0                      | 0.0%        | 0   | 0.0%        |
| Time Insurance Company                         | 0                    | 0.0%         | 0                      | 0.0%        | 0   | 0.0%        |
| Union Security Insurance Company               | 0                    | 0.0%         | 0                      | 0.0%        | 0   | 0.0%        |
| United Concordia Life & Health Insurance Co.   | 0                    | 0.0%         | 0                      | 0.0%        | 0   | 0.0%        |
| UnitedHealthCare Insurance Company             | 54                   | 22.0%        | 7                      | 2.8%        | 0   | 0.0%        |
| UnitedHealthCare of the Mid-Atlantic, Inc.     | 8                    | 9.8%         | 1                      | 1.2%        | 0   | 0.0%        |
| <b>TOTAL</b>                                   | <b>489</b>           | <b>11.9%</b> | <b>95</b>              | <b>2.3%</b> | <b>10</b>   | <b>0.2%</b> |

\*Grievance decisions for Coventry Health and Life Insurance Company and Coventry Health Care of Delaware, Inc. appear in Appendix 2 as a combined filing under Coventry Health Care of Delaware, Inc.

**APPENDIX 2  
GRIEVANCE DECISIONS BY CARRIER**

| COMPANY NAME                                   | I. DURABLE MEDICAL EQUIPMENT SERVICES |             | J. PODIATRY, DENTAL, OPTOMETRY, CHIROPRACTIC |              | K. HOME HEALTH SERVICES |             |
|--|---------------------------------------|-------------|--|--------------|-------------------------|-------------|
|  | NUMBER                                | % TOTAL     | NUMBER                                       | % TOTAL      | NUMBER                  | % TOTAL     |
| Aetna Health, Inc.                             | 3                                     | 2.2%        | 1  | 0.7%         | 0                       | 0.0%        |
| Aetna Life Insurance Company                   | 2                                     | 1.0%        | 4  | 1.9%         | 0                       | 0.0%        |
| Ameritas Life Insurance Corp.                  | 0                                     | 0.0%        | 34   | 100.0%       | 0                       | 0.0%        |
| CareFirst BlueChoice, Inc.                     | 48                                    | 6.8%        | 4  | 0.6%         | 8                       | 1.1%        |
| CareFirst of Maryland, Inc.                    | 47                                    | 17.9%       | 99   | 37.8%        | 4                       | 1.5%        |
| Cigna Health and Life Insurance Company        | 2                                     | 1.4%        | 8  | 5.7%         | 0                       | 0.0%        |
| Connecticut General Life Insurance Company     | 6                                     | 5.9%        | 5  | 5.0%         | 0                       | 0.0%        |
| *Coventry Health Care of Delaware, Inc.        | 41                                    | 5.2%        | 3  | 0.4%         | 8                       | 1.0%        |
| Golden Rule Insurance Company                  | 1                                     | 5.3%        | 0  | 0.0%         | 0                       | 0.0%        |
| Group Hospitalization & Medical Services, Inc. | 16                                    | 3.4%        | 133  | 27.9%        | 0                       | 0.0%        |
| Guardian Life Insurance Company of America     | 0                                     | 0.0%        | 253  | 100.0%       | 0                       | 0.0%        |
| Kaiser Foundation Health Plan-Mid-Atlantic     | 3                                     | 3.7%        | 7  | 8.5%         | 1                       | 1.2%        |
| Kaiser Permanente Insurance Company            | 0                                     | 0.0%        | 0  | 0.0%         | 0                       | 0.0%        |
| MAMSI Life & Health Insurance Company          | 0                                     | 0.0%        | 0  | 0.0%         | 0                       | 0.0%        |
| MD-Individual Practice Association, Inc.       | 10                                    | 10.4%       | 0  | 0.0%         | 1                       | 1.0%        |
| Nationwide Insurance Company                   | 0                                     | 0.0%        | 0  | 0.0%         | 0                       | 0.0%        |
| New York Insurance Company                     | 0                                     | 0.0%        | 2  | 100.0%       | 0                       | 0.0%        |
| Optimum Choice, Inc.                           | 8                                     | 9.6%        | 3  | 3.6%         | 0                       | 0.0%        |
| Reliance Standard Life Ins. Company            | 0                                     | 0.0%        | 4  | 100.0%       | 0                       | 0.0%        |
| Standard Insurance Company                     | 0                                     | 0.0%        | 5  | 100.0%       | 0                       | 0.0%        |
| Standard Security Life Ins. Co. of New York    | 0                                     | 0.0%        | 0  | 0.0%         | 0                       | 0.0%        |
| Sun Life Assurance Company of Canada           | 0                                     | 0.0%        | 9  | 100.0%       | 0                       | 0.0%        |
| Time Insurance Company                         | 0                                     | 0.0%        | 0  | 0.0%         | 0                       | 0.0%        |
| Union Security Insurance Company               | 0                                     | 0.0%        | 38   | 100.0%       | 0                       | 0.0%        |
| United Concordia Life & Health Insurance Co.   | 0                                     | 0.0%        | 296  | 100.0%       | 0                       | 0.0%        |
| UnitedHealthCare Insurance Company             | 21                                    | 8.5%        | 3  | 1.2%         | 0                       | 0.0%        |
| UnitedHealthCare of the Mid-Atlantic, Inc.     | 1                                     | 1.2%        | 1  | 1.2%         | 1                       | 1.2%        |
| <b>TOTAL</b>                                   | <b>209</b>                            | <b>5.1%</b> | <b>912</b>                                   | <b>22.2%</b> | <b>23</b>               | <b>0.6%</b> |

\*Grievance decisions for Coventry Health and Life Insurance Company and Coventry Health Care of Delaware, Inc. appear in Appendix 2 as a combined filing under Coventry Health Care of Delaware, Inc.

**APPENDIX 2  
GRIEVANCE DECISIONS BY CARRIER**

| COMPANY NAME                                   | L. OTHER<br>(Outpatient Hospital Services,<br>Education Services and<br>Transportation) |             |
|--|---|-------------|
|  | NUMBER  | % TOTAL     |
| Aetna Health, Inc.                             | 0   | 0.0%        |
| Aetna Life Insurance Company                   | 0   | 0.0%        |
| Ameritas Life Insurance Corp.                  | 0   | 0.0%        |
| CareFirst BlueChoice, Inc.                     | 1   | 0.1%        |
| CareFirst of Maryland, Inc.                    | 0   | 0.0%        |
| Cigna Health and Life Insurance Company        | 0   | 0.0%        |
| Connecticut General Life Insurance Company     | 0   | 0.0%        |
| *Coventry Health Care of Delaware, Inc.        | 0   | 0.0%        |
| Golden Rule Insurance Company                  | 0   | 0.0%        |
| Group Hospitalization & Medical Services, Inc. | 0   | 0.0%        |
| Guardian Life Insurance Company of America     | 0   | 0.0%        |
| Kaiser Foundation Health Plan-Mid-Atlantic     | 2   | 2.4%        |
| Kaiser Permanente Insurance Company            | 4   | 16.7%       |
| MAMSI Life & Health Insurance Company          | 0   | 0.0%        |
| MD-Individual Practice Association, Inc.       | 38  | 39.6%       |
| Nationwide Life Insurance Company              | 0   | 0.0%        |
| New York Life Insurance Company                | 0   | 0.0%        |
| Optimum Choice, Inc.                           | 19  | 22.9%       |
| Reliance Standard Life Ins. Company            | 0   | 0.0%        |
| Standard Insurance Company                     | 0   | 0.0%        |
| Standard Security Life Ins. Co. of New York    | 0   | 0.0%        |
| Sun Life Assurance Company of Canada           | 0   | 0.0%        |
| Time Insurance Company                         | 1   | 100.0%      |
| Union Security Insurance Company               | 0   | 0.0%        |
| United Concordia Life & Health Insurance Co.   | 0   | 0.0%        |
| UnitedHealthCare Insurance Company             | 40  | 16.3%       |
| UnitedHealthCare of the Mid-Atlantic, Inc.     | 9   | 11.0%       |
| <b>TOTAL</b>                                   | <b>114</b>  | <b>2.8%</b> |

\*Grievance decisions for Coventry Health and Life Insurance Company and Coventry Health Care of Delaware, Inc. appear in Appendix 2 as a combined filing under Coventry Health Care of Delaware, Inc.

**APPENDIX 3  
DISPOSITION OF CARRIER GRIEVANCE DECISIONS**

| COMPANY<br><br>NAME                            | GRIEVANCES FILED     |                       | ORIGINAL DECISION OF INSURANCE COMPANY WAS... |            |            |         |          |         |
|--|----------------------|-----------------------|---|------------|------------|---------|----------|---------|
|  | COMPANY<br><br>TOTAL | % OF ALL<br>COMPANIES | UPHELD  |            | OVERTURNED |         | MODIFIED |         |
|  |                      |                       | NUMBER  | %<br>TOTAL | NUMBER     | % TOTAL | NUMBER   | % TOTAL |
| Aetna Health, Inc.                             | 134                  | 3.3%                  | 89  | 66.4%      | 42         | 31.3%   | 3        | 2.2%    |
| Aetna Life Insurance Company                   | 208                  | 5.1%                  | 128   | 61.5%      | 76         | 36.5%   | 4        | 1.9%    |
| Ameritas Life Insurance Corp.                  | 34                   | 0.8%                  | 20  | 58.8%      | 9          | 26.5%   | 5        | 14.7%   |
| CareFirst BlueChoice, Inc.                     | 708                  | 17.3%                 | 268   | 37.9%      | 427        | 60.3%   | 13       | 1.8%    |
| CareFirst of Maryland, Inc.                    | 262                  | 6.4%                  | 100   | 38.2%      | 151        | 57.6%   | 11       | 4.2%    |
| Cigna Health and Life Ins. Co.                 | 141                  | 3.4%                  | 82  | 58.2%      | 53         | 37.6%   | 6        | 4.3%    |
| Connecticut General Life Ins. Co.              | 101                  | 2.5%                  | 62  | 61.4%      | 37         | 36.6%   | 2        | 2.0%    |
| *Coventry Health Care of Delaware, Inc.        | 791                  | 19.3%                 | 539   | 68.1%      | 252        | 31.9%   | 0        | 0.0%    |
| Golden Rule Insurance Company                  | 19                   | 0.5%                  | 14  | 73.7%      | 4          | 21.1%   | 1        | 5.3%    |
| Group Hospitalization & Medical Services, Inc. | 476                  | 11.6%                 | 205   | 43.1%      | 262        | 55.0%   | 9        | 1.9%    |
| Guardian Life Ins. Co. of America              | 253                  | 6.2%                  | 88  | 34.8%      | 74         | 29.2%   | 91       | 36.0%   |
| Kaiser Fndtn Health Plan Mid-Atl               | 82                   | 2.0%                  | 52  | 63.4%      | 29         | 35.4%   | 1        | 1.2%    |
| Kaiser Permanente Insurance Co.                | 24                   | 0.6%                  | 12  | 50.0%      | 12         | 50.0%   | 0        | 0.0%    |
| MAMSI Life & Health Ins. Co.                   | 2                    | 0.0%                  | 0   | 0.0%       | 2          | 100.0%  | 0        | 0.0%    |
| MD-Individual Practice Association, Inc.       | 96                   | 2.3%                  | 46  | 47.9%      | 46         | 47.9%   | 4        | 4.2%    |

\*Disposition of carrier grievance decisions for Coventry Health and Life Insurance Company and Coventry Health Care of Delaware, Inc. appear in Appendix 3 as a combined filing under Coventry Health Care of Delaware, Inc.

**APPENDIX 3  
DISPOSITION OF CARRIER GRIEVANCE DECISIONS**

| COMPANY<br><br>NAME  | GRIEVANCES FILED     |                       | ORIGINAL DECISION OF INSURANCE COMPANY WAS... |              |             |              |            |             |
|--|----------------------|-----------------------|---|--------------|-------------|--------------|------------|-------------|
|  | COMPANY<br><br>TOTAL | % OF ALL<br>COMPANIES | UPHELD  |              | OVERTURNED  |              | MODIFIED   |             |
|  |                      |                       | NUMBER  | %<br>TOTAL   | NUMBER      | %<br>TOTAL   | NUMBER     | %<br>TOTAL  |
| Nationwide Life Insurance Co.                              | 3                    | 0.1%                  | 2   | 66.7%        | 1           | 33.3%        | 0          | 0.0%        |
| New York Life Insurance Co.                                | 2                    | 0.0%                  | 2   | 100.0%       | 0           | 0.0%         | 0          | 0.0%        |
| Optimum Choice, Inc.                                       | 83                   | 2.0%                  | 53  | 63.9%        | 29          | 34.9%        | 1          | 1.2%        |
| Reliance Standard Life Ins. Co.                            | 4                    | 0.1%                  | 2   | 50.0%        | 2           | 50.0%        | 0          | 0.0%        |
| Standard Insurance Company                                 | 5                    | 0.1%                  | 2   | 40.0%        | 2           | 40.0%        | 1          | 20.0%       |
| Standard Security Life Ins. Co. In<br>the City of New York | 2                    | 0.0%                  | 1   | 50.0%        | 1           | 50.0%        | 0          | 0.0%        |
| Sun Life Assurance Co. of<br>Canada                        | 9                    | 0.2%                  | 9   | 100.0%       | 0           | 0.0%         | 0          | 0.0%        |
| Time Insurance Company                                     | 1                    | 0.0%                  | 0   | 0.0%         | 0           | 0.0%         | 1          | 100.0%      |
| Union Security Insurance Co.                               | 38                   | 0.9%                  | 17  | 44.7%        | 13          | 34.2%        | 8          | 21.1%       |
| United Concordia Life & Health<br>Ins. Co.                 | 296                  | 7.2%                  | 107   | 36.1%        | 173         | 58.4%        | 16         | 5.4%        |
| UnitedHealthcare Insurance Co.                             | 246                  | 6.0%                  | 108   | 43.9%        | 133         | 54.1%        | 5          | 2.0%        |
| UnitedHealthcare of the Mid-<br>Atlantic, Inc.             | 82                   | 2.0%                  | 57  | 69.5%        | 20          | 24.4%        | 5          | 6.1%        |
| <b>Total</b>   | <b>4102</b>          | <b>100%</b>           | <b>2065</b>                                   | <b>50.3%</b> | <b>1850</b> | <b>45.1%</b> | <b>187</b> | <b>4.6%</b> |

**APPENDIX 4  
GRIEVANCE DECISIONS BY CARRIER FOR HOSPITAL LENGTH OF STAY (“LOS”)**

| COMPANY*<br>NAME                           | HOSPITAL LOS | HOSPITAL LOS | UPHELD |         | OVERTURNED |         | MODIFIED |         |
|--|--------------|--------------|--------|---------|------------|---------|----------|---------|
|  | TOTAL*       | OUTCOME**    | Number | Percent | Number     | Percent | Number   | Percent |
| CareFirst BlueChoice, Inc.                 | 48           | 48           | 30     | 62.50%  | 14         | 29.17%  | 4        | 8.33%   |
| CareFirst of Maryland, Inc.                | 4            | 4            | 1      | 25.00%  | 2          | 50.00%  | 1        | 25.00%  |
| Cigna Health and Life Insurance Co.        | 28           | 22           | 11     | 50.00%  | 10         | 45.45%  | 1        | 4.55%   |
| Connecticut General Life Insurance Co.     | 22           | 20           | 11     | 55.00%  | 7          | 35.00%  | 2        | 10.00%  |
| Coventry Health Care of Delaware, Inc.     | 157          | 80           | 71     | 88.75%  | 9          | 11.25%  | 0        | 0.00%   |
| Golden Rule Insurance Company              | 3            | 3            | 2      | 66.67%  | 1          | 33.33%  | 0        | 0.00%   |
| Group Hosp & MedServ, Inc.                 | 19           | 19           | 17     | 89.47%  | 2          | 10.53%  | 0        | 0.00%   |
| Kaiser Fndtn Health Plan Mid-Atlantic      | 2            | 2            | 2      | 100.00% | 0          | 0.00%   | 0        | 0.00%   |
| Kaiser Permanente Insurance Company        | 1            | 1            | 0      | 0.00%   | 1          | 100.00% | 0        | 0.00%   |
| MAMSI Life & Health Ins. Co.               | 1            | 1            | 0      | 0.00%   | 1          | 100.00% | 0        | 0.00%   |
| MD-Individual Practice Association, Inc.   | 12           | 11           | 6      | 54.55%  | 4          | 36.36%  | 1        | 9.09%   |
| Optimum Choice, Inc.                       | 5            | 5            | 3      | 60.00%  | 1          | 20.00%  | 1        | 20.00%  |
| UnitedHealthcare Insurance Company         | 2            | 2            | 0      | 0.00%   | 2          | 100.00% | 0        | 0.00%   |
| UnitedHealthcare of the Mid-Atlantic, Inc. | 20           | 16           | 12     | 75.00%  | 2          | 12.50%  | 2        | 12.50%  |

\* This chart only includes those carriers who received grievances involving hospital length of stay during calendar year 2013.

\*\* Represents the number of grievances that were resolved in calendar year 2013.

**APPENDIX 5**  
**TIME FRAME FOR RENDERING A GRIEVANCE DECISION BY CARRIER EMERGENCY CASES**

| COMPANY**<br>NAME                              | EMERGENCY CASES - RESOLUTION TIME* |             |             |             |
|--|------------------------------------|-------------|-------------|-------------|
|  | 1st Quarter                        | 2nd Quarter | 3rd Quarter | 4th Quarter |
| CareFirst BlueChoice, Inc.                     | 24                                 | 24          | 24          | 24          |
| CareFirst of Maryland, Inc.                    | 24                                 | 24          | 24          | 24          |
| Cigna Health & Life Insurance Company          | 0                                  | 24          | 24          | 24          |
| Connecticut General Life Insurance Co.         | 0                                  | 24          | 24          | 53          |
| Group Hospitalization & Medical Services, Inc. | 24                                 | 0           | 24          | 24          |
| Kaiser Foundation Health Plan-Mid-Atlantic     | 22                                 | 0           | 23          | 12.5        |
| MD-Individual Practice Association, Inc.       | 24                                 | 0           | 0           | 0           |
| Optimum Choice, Inc.                           | 39                                 | 0           | 0           | 192         |
| UnitedHealthcare Insurance Company             | 330                                | 129.5       | 41          | 42          |
| UnitedHealthcare of the Mid-Atlantic           | 0                                  | 17          | 81          | 20          |

**\*\* This report only includes carriers who had grievances which were considered emergency cases during calendar year 2013.**

**\* Reported as hours**

**APPENDIX 6  
TIME FRAME FOR RENDERING A GRIEVANCE DECISION BY CARRIER, NON-  
EMERGENCY CASES**

| COMPANY<br>NAME                                | NON-EMERGENCY CASES - RESOLUTION TIME* |             |             |             |
|--|--|-------------|-------------|-------------|
|  | 1st Quarter                            | 2nd Quarter | 3rd Quarter | 4th Quarter |
| Aetna Health, Inc.                             | 18.2                                   | 18.2        | 23          | 27          |
| Aetna Life Insurance Company                   | 26                                     | 25.9        | 21          | 27          |
| Ameritas Life Insurance Company                | 11.4                                   | 14.2        | 11.6        | 10.9        |
| CareFirst BlueChoice, Inc.                     | 40.4                                   | 41.3        | 31.2        | 23.2        |
| CareFirst of Maryland, Inc.                    | 58.5                                   | 52          | 41          | 34.4        |
| Cigna Health and Life Insurance Company        | 33                                     | 26          | 38          | 26          |
| Connecticut General Life Insurance Company     | 34                                     | 28          | 38          | 23          |
| Dental Benefit Providers of Illinois, Inc.     | 3.5                                    | 2.5         | 3.7         | 2           |
| Golden Rule Insurance Company                  | 30                                     | 16          | 28          | 7           |
| Group Hospitalization & Medical Services, Inc. | 52.1                                   | 45.1        | 33.2        | 38.9        |
| Guardian Life Insurance Company of America     | 2                                      | 3           | 3           | 3           |
| HumanaDental Insurance Company                 | 0                                      | 67.5        | 58.7        | 36          |
| John Alden Life Insurance Company              | 0                                      | 21          | 0           | 0           |
| Kaiser Foundation Health Plan-Mid-Atlantic     | 27                                     | 23.9        | 28.9        | 33.4        |
| MAMSI Life & Health Insurance Company          | 0                                      | 0           | 7           | 0           |
| MD-Individual Practice Association, Inc.       | 28                                     | 32          | 31          | 17          |
| Metropolitan Life Insurance Company            | 12.9                                   | 11.9        | 12.4        | 0           |
| Nationwide Life Insurance Company              | 10                                     | 5           | 0           | 0           |
| Optimum Choice, Inc.                           | 23                                     | 22          | 20          | 16          |
| Standard Insurance Company                     | 9.5                                    | 4.5         | 16          | 0           |

**APPENDIX 6  
TIME FRAME FOR RENDERING A GRIEVANCE DECISION BY CARRIER, NON-EMERGENCY CASES**

| COMPANY  | NON-EMERGENCY CASES – RESOLUTION TIME* |                         |                         |                         |
|--|--|-------------------------|-------------------------|-------------------------|
| NAME   | 1 <sup>ST</sup> Quarter                | 2 <sup>ND</sup> Quarter | 3 <sup>RD</sup> Quarter | 4 <sup>TH</sup> Quarter |
| Standard Security Life Ins. Co. of New York    | 45                                     | 0                       | 0                       | 0                       |
| Sun Life Assurance Co. of Canada               | 0                                      | 3                       | 7                       | 13.2                    |
| Time Insurance Company                         | 3.6                                    | 18.5                    | 0.6                     | 21                      |
| Union Security Insurance Company               | 37                                     | 24.6                    | 45.2                    | 43                      |
| United Concordia Dental Plans, Inc.            | 0                                      | 0                       | 0                       | 14.0                    |
| United Concordia Life and Health Insurance Co. | 5.7                                    | 9.5                     | 7                       | 9.1                     |
| UnitedHealthcare Insurance Company             | 19                                     | 23                      | 24                      | 20                      |
| UnitedHealthcare of the Mid-Atlantic, Inc.     | 7                                      | 10                      | 18                      | 19                      |

\*Reported as Calendar Days

**APPENDIX 7**  
**INTERNAL GRIEVANCES FILED CONSIDERED EMERGENCY CASES AS REPORTED BY CARRIER**

| COMPANY<br>NAME*                              | TOTAL NUMBER<br>OF<br>"EMERGENCIES"<br>CASES | "EMERGENCIES" | UPHELD    |               | OVERTURNED |               | MODIFIED |              |
|---|--|---------------|-----------|---------------|------------|---------------|----------|--------------|
|   |  | OUTCOME**     | Number    | Percent       | Number     | Percent       | Number   | Percent      |
| CareFirst BlueChoice, Inc.                    | 39   | 30            | 14        | 46.7%         | 13         | 43.3%         | 3        | 10.0%        |
| CareFirst of Maryland, Inc.                   | 5  | 7             | 3         | 42.9%         | 3          | 42.9%         | 1        | 14.3%        |
| Cigna Health & Life Ins. Co.                  | 6  | 5             | 2         | 40.0%         | 3          | 60.0%         | 0        | 0.0%         |
| Connecticut General Life<br>Insurance Company | 3  | 2             | 2         | 100.0%        | 0          | 0.0%          | 0        | 0.0%         |
| Group Hosp & Med Serv, Inc.                   | 13   | 15            | 11        | 73.3%         | 4          | 26.7%         | 0        | 0.0%         |
| Kaiser Fndtn Health Plan Mid-Atl              | 15   | 14            | 11        | 78.6%         | 3          | 21.4%         | 0        | 0.0%         |
| MD-Individual Practice<br>Association, Inc.   | 1  | 2             | 0         | 0.0%          | 2          | 100.0%        | 0        | 0.0%         |
| Optimum Choice, Inc.                          | 2  | 2             | 0         | 0.0%          | 2          | 100.0%        | 0        | 0.0%         |
| UnitedHealthcare Ins. Company                 | 27   | 16            | 6         | 37.5%         | 10         | 62.5%         | 0        | 0.0%         |
| UnitedHealthcare of the Mid-Atl               | 21   | 8             | 4         | 50.0%         | 3          | 37.5%         | 1        | 12.5%        |
| <b>Total</b>                                  | <b>132</b>                                   | <b>101</b>    | <b>53</b> | <b>52.48%</b> | <b>43</b>  | <b>42.57%</b> | <b>5</b> | <b>4.95%</b> |

\*This chart only includes carriers who had grievances which were considered emergency cases during calendar year 2013.

\*\* Represents the number of grievances that were resolved in calendar year 2013.

**APPENDIX 8  
ADMINISTRATION COMPLAINTS**

Appeals and Grievance Statistics  
Totals for Complaints Filed  
January 1, 2013 – December 31, 2013

|   |            |
|---|------------|
| <b>COMPLAINTS FILED</b>   | <b>795</b> |
| <b>NO JURISDICTION</b>  | <b>249</b> |
| Referred to DBM/Cecil County  | 8          |
| Referred to Department of Labor (ERISA plans)   | 85         |
| Referred to Office of Personnel Management (Federal employee health benefit plans)  | 39         |
| Referred to Medicaid  | 15         |
| Referred to Medicare  | 15         |
| Referred to Insurance Department in Another State   | 71         |
| Referred to Other (includes complaints referred to Workers Compensation Commission or other State agencies)                           | 16         |
| <b>COMPLAINT WITHDRAWN</b>  | <b>6</b>   |
| <b>INSUFFICIENT INFORMATION TO COMPLETE INVESTIGATION</b>   | <b>63</b>  |
| <b>NO ACTION REQUIRED</b> (includes non-medical necessity complaint cases transferred to Complaint Unit, duplicate files, inquiries)  | <b>100</b> |
| <b>REFERRED TO HEALTH, EDUCATION AND ADVOCACY UNIT</b> (for complainants who had not exhausted the carrier's internal appeal process) | <b>58</b>  |
| <b>MIA CONDUCTED INVESTIGATION</b>  | <b>319</b> |
| MIA Decision Upheld Carrier   | 141        |
| Carrier Reversed Itself During Investigation  | 115        |
| MIA Reversed Carrier Decision   | 56         |
| MIA Reversed Carrier Decision in Part and Upheld Carrier Decision in Part   | 7          |

### Administration Complaints (Continued)

| Carrier  | COMPLAINTS INVESTIGATED |             | Carrier Upheld by MIA |            | Carrier Reversed by MIA |            | Carrier Modified by MIA |           | Carrier Reversed Itself During Investigation |            |
|--|-------------------------|-------------|-----------------------|------------|-------------------------|------------|-------------------------|-----------|--|------------|
|  | Total                   | Percent     | Number                | Percent    | Number                  | Percent    | Number                  | Percent   | Number                                       | Percent    |
| Aetna Health, Inc.                             | 10                      | 3%          | 5                     | 50%        | 2                       | 20%        | 0                       | 0%        | 3  | 30%        |
| Aetna Life Insurance Company                   | 21                      | 7%          | 13                    | 62%        | 4                       | 19%        | 0                       | 0%        | 4  | 19%        |
| APS Healthcare                                 | 4                       | 1%          | 0                     | 0%         | 1                       | 25%        | 2                       | 50%       | 1  | 25%        |
| Carefirst BlueChoice, Inc.                     | 46                      | 14%         | 17                    | 37%        | 5                       | 11%        | 1                       | 2%        | 23   | 50%        |
| Carefirst of Maryland, Inc.                    | 50                      | 16%         | 20                    | 40%        | 11                      | 22%        | 1                       | 2%        | 18   | 36%        |
| Cigna Health & Life Insurance Co.              | 2                       | 1%          | 2                     | 100%       | 0                       | 0%         | 0                       | 0%        | 0  | 0%         |
| Connecticut General Life Ins. Co.              | 3                       | 1%          | 1                     | 33%        | 0                       | 0%         | 0                       | 0%        | 2  | 67%        |
| Coventry Health and Life Ins. Co.              | 10                      | 3%          | 1                     | 10%        | 1                       | 10%        | 1                       | 10%       | 7  | 70%        |
| Coventry Health Care of DE, Inc.               | 5                       | 2%          | 0                     | 0%         | 1                       | 20%        | 0                       | 0%        | 4  | 80%        |
| DentaQuest of Maryland, LLC                    | 1                       | 0%          | 1                     | 100%       | 0                       | 0%         | 0                       | 0%        | 0  | 0%         |
| Express Scripts, Inc.                          | 2                       | 1%          | 0                     | 0%         | 0                       | 0%         | 0                       | 0%        | 2  | 100%       |
| Golden Rule Insurance Company                  | 8                       | 3%          | 4                     | 50%        | 2                       | 25%        | 1                       | 13%       | 1  | 13%        |
| Group Dental Service of Md, Inc.               | 1                       | 0%          | 0                     | 0%         | 0                       | 0%         | 0                       | 0%        | 1  | 100%       |
| Group Hospitalization & Medical Services, Inc. | 41                      | 13%         | 23                    | 56%        | 7                       | 17%        | 1                       | 2%        | 10   | 24%        |
| Guardian Life Ins. Co. of America              | 7                       | 2%          | 5                     | 71%        | 1                       | 14%        | 0                       | 0%        | 1  | 14%        |
| HumanDental Insurance Company                  | 1                       | 0%          | 1                     | 100%       | 0                       | 0%         | 0                       | 0%        | 0  | 0%         |
| Kaiser Foundation Health Plan                  | 10                      | 3%          | 7                     | 70%        | 0                       | 0%         | 0                       | 0%        | 3  | 30%        |
| MAMSI Life and Health Insurance Co.            | 9                       | 3%          | 3                     | 33%        | 3                       | 33%        | 0                       | 0%        | 3  | 33%        |
| Maryland Health Insurance Plan                 | 10                      | 3%          | 4                     | 40%        | 2                       | 20%        | 0                       | 0%        | 4  | 40%        |
| Metropolitan Life Insurance Company            | 1                       | 0%          | 0                     | 0%         | 0                       | 0%         | 0                       | 0%        | 1  | 100%       |
| Optimum Choice, Inc.                           | 9                       | 3%          | 5                     | 56%        | 2                       | 22%        | 0                       | 0%        | 2  | 22%        |
| Principal Life Insurance Company               | 3                       | 1%          | 1                     | 33%        | 1                       | 33%        | 0                       | 0%        | 1  | 33%        |
| The Dental Network, Inc.                       | 1                       | 0%          | 0                     | 0%         | 0                       | 0%         | 0                       | 0%        | 1  | 100%       |
| United Concordia Life & Health Ins. Co.        | 18                      | 6%          | 7                     | 39%        | 3                       | 17%        | 0                       | 0%        | 8  | 44%        |
| United Healthcare Insurance Company            | 29                      | 9%          | 14                    | 48%        | 6                       | 21%        | 0                       | 0%        | 9  | 31%        |
| United Healthcare of the Mid-Atlantic, Inc.    | 4                       | 1%          | 3                     | 75%        | 0                       | 0%         | 0                       | 0%        | 1  | 25%        |
| UnitedHealthcare Services, Inc.                | 13                      | 4%          | 4                     | 31%        | 4                       | 31%        | 0                       | 0%        | 5  | 38%        |
| <b>TOTAL</b>                                   | <b>319</b>              | <b>100%</b> | <b>141</b>            | <b>44%</b> | <b>56</b>               | <b>18%</b> | <b>7</b>                | <b>2%</b> | <b>115</b>                                   | <b>36%</b> |

## Administration Complaints (Continued)

| Type of Procedure                      | Carrier Code** | Total      | Carrier Upheld by MIA |         | Carrier Reversed by MIA |         | Carrier Modified by MIA |         | Carrier Reversed Itself During Investigation |         |
|--|----------------|------------|-----------------------|---------|-------------------------|---------|-------------------------|---------|--|---------|
|  |                |            | Number                | Percent | Number                  | Percent | Number                  | Percent | Number                                       | Percent |
| Acupuncture                            | D              | 2          | 1                     | 50%     | 0                       | 0%      | 0                       | 0%      | 1  | 50%     |
| Chiropractic Care Services             | J              | 7          | 6                     | 86%     | 0                       | 0%      | 0                       | 0%      | 1  | 14%     |
| Cosmetic                               | D              | 11         | 8                     | 73%     | 2                       | 18%     | 0                       | 0%      | 1  | 9%      |
| Denial of Hospital Days                | A              | 12         | 7                     | 58%     | 3                       | 25%     | 0                       | 0%      | 2  | 17%     |
| Dental Care Services                   | J              | 58         | 26                    | 45%     | 10                      | 17%     | 1                       | 2%      | 21   | 36%     |
| Durable Medical Equipment              | I              | 8          | 2                     | 25%     | 4                       | 50%     | 0                       | 0%      | 2  | 25%     |
| Emergency Room Denial                  | B              | 1          | 0                     | 0%      | 0                       | 0%      | 0                       | 0%      | 1  | 100%    |
| Emergency Treatment Denial             | B              | 3          | 0                     | 0%      | 0                       | 0%      | 0                       | 0%      | 3  | 100%    |
| Experimental                           | D              | 53         | 29                    | 55%     | 14                      | 26%     | 0                       | 0%      | 10   | 19%     |
| Habilitative Services                  | G              | 1          | 0                     | 0%      | 1                       | 100%    | 0                       | 0%      | 0  | 0%      |
| Home Care Services                     | K              | 5          | 0                     | 0%      | 1                       | 20%     | 1                       | 20%     | 3  | 60%     |
| In-Patient Rehabilitation              | G              | 2          | 0                     | 0%      | 1                       | 50%     | 0                       | 0%      | 1  | 50%     |
| Lab, Imaging, Testing                  | E              | 16         | 7                     | 44%     | 1                       | 6%      | 0                       | 0%      | 8  | 50%     |
| Mental Health Partial Hospitalization  | C              | 4          | 2                     | 50%     | 0                       | 0%      | 0                       | 0%      | 2  | 50%     |
| Mental Health (Inpatient) Services     | C              | 22         | 10                    | 45%     | 5                       | 23%     | 3                       | 14%     | 4  | 18%     |
| Mental Health (Outpatient) Services    | C              | 13         | 8                     | 62%     | 1                       | 8%      | 1                       | 8%      | 3  | 23%     |
| Morbid Obesity                         | L              | 2          | 0                     | 0%      | 1                       | 50%     | 0                       | 0%      | 1  | 50%     |
| Nursing Home Services                  | G              | 1          | 0                     | 0%      | 1                       | 100%    | 0                       | 0%      | 0  | 0%      |
| Out Patient Services                   | G              | 4          | 2                     | 50%     | 0                       | 0%      | 0                       | 0%      | 2  | 50%     |
| Out-of-Network Benefits                |                | 6          | 3                     | 50%     | 0                       | 0%      | 0                       | 0%      | 3  | 50%     |
| PCP Referrals                          | F              | 3          | 2                     | 67%     | 0                       | 0%      | 0                       | 0%      | 1  | 33%     |
| Pharmacy Services/Formulary Issues     | D              | 47         | 11                    | 23%     | 9                       | 19%     | 0                       | 0%      | 27   | 57%     |
| Physician Services                     | J              | 28         | 12                    | 43%     | 2                       | 7%      | 0                       | 0%      | 14   | 50%     |
| PT, OT, Speech Therapy                 | G              | 7          | 4                     | 57%     | 0                       | 0%      | 0                       | 0%      | 3  | 43%     |
| Skilled Nursing Facility Care Services | D              | 3          | 1                     | 33%     | 0                       | 0%      | 1                       | 33%     | 1  | 33%     |
| <b>TOTAL</b>                           |                | <b>319</b> | <b>141</b>            |         | <b>56</b>               |         | <b>7</b>                |         | <b>115</b>                                   |         |

\*\* All carrier data is divided into categories A-L. The MIA's data is more specific in nature. All charts which compare Carrier and MIA data have combined the MIA categories to fit within the carrier's A-L categories. The letters above identify which MIA category corresponds to the carrier code.

## **Appendix 9**

### **Summaries of Appeals and Grievance Orders**

#### **Group Hospitalization and Medical Services, Inc. (“GHMSI”)**

**Case No.: 2013-01-001**

**Effective Date: January 2, 2013**

**Penalty: \$8,500.00**

The Administration ordered GHMSI to pay an administrative penalty of \$2,500.00 for violation of § 15-10D-02(b) of the Insurance Article by failing to render a final decision in writing within 60 working days after the date on which the complainant’s appeal was filed. The Administration also ordered GHMSI to pay an administrative penalty of \$3,000.00 for violation of § 15-10D-02(e) of the Insurance Article by failing within 30 calendar days to send written notice of the coverage decision to the member. The Administration ordered GHMSI to pay an administrative penalty of \$1,000.00 for violation of § 15-1005(c) of the Insurance Article by failing to transmit payment or send a notice of the status of the member’s claim within 30 days of receipt of the claim. The Administration ordered GHMSI to pay an administrative penalty of \$1,000.00 for violation of COMAR 31.15.08.05 by assigning more than one claim number to an individual claim. The Administration ordered GHMSI to pay an administrative penalty of \$1,000.00 for violating § 27-303(6) of the Insurance Article for failing to promptly provide the member with a reasonable explanation of the basis for a denied claim.

#### **Coventry Health and Life Insurance Company (“Coventry”)**

**Case No.: 2013-04-005**

**Effective Date: April 4, 2013**

**Penalty: \$2,500.00**

The Administration ordered Coventry to pay an administrative penalty of \$2,500.00 for violation of § 15-10B-09.1 of the Insurance Article by failing to base the November 5, 2012 grievance decision on the professional judgment of a physician board certified or eligible in the same specialty as the treatment under review. The Administration also ordered Coventry to ensure that its private review agent submit revised criteria regarding the outpatient procedure of Botox injections to the pelvic floor that are objective, clinically valid, compatible with established principles of health care or flexible enough to allow deviations from norms when justified on a case by case basis.

**Group Hospitalization and Medical Services, Inc. (“GHMSI”)**  
**Case No.: 2013-08-007**  
**Effective Date: August 6, 2013**  
**Penalty: \$3,000.00**

The Administration Ordered GHMSI to pay an administrative penalty of \$500.00 for violation of § 15-1005(c) of the Insurance Article by failing to transmit payment or send a notice of the status of the member’s claim within 30 days of receipt. The Administration also ordered GHMSI to pay an administrative penalty of \$2,500.00 for violation of § 15-10A-02(b)(2)(iv) of the Insurance Article by failing to render a final decision in writing on a grievance within 45 working days after the date on which the grievance was filed when the grievance involved a retrospective denial. The Administration ordered GHMSI to submit revised criteria regarding procedure code 0242/smart pill that are objective, clinically valid and flexible enough to allow for deviations from norms when justified on a case by case basis.

**Aetna Life Insurance Company (“Aetna”)**  
**Case No.: 2013-08-038**  
**Effective Date: August 20, 2013**  
**Penalty: \$500.00**

The Administration ordered Aetna to pay an administrative penalty of \$500.00 for violation COMAR 31.16.10.06 for failure to file timely documentation to the Commissioner during a complaint investigation.

**UnitedHealthcare of the Mid-Atlantic, Inc. (“UnitedHealthcare”)**  
**Case No.: 2013-08-040**  
**Effective Date: August 20, 2013**  
**Penalty: \$2,500.00**

The Administration ordered United Healthcare to pay an administrative penalty of \$2,500.00 for violation of § 15-10B-09.1 of the Insurance Article by failing to base its December 19, 2012 grievance decision on the professional judgment of a physician board certified or eligible in the same specialty as the treatment under review.

**Aetna Life Insurance Company (“Aetna”)**

**Case No.: 2013-08-049**

**Effective Date: August 22, 2013**

**Penalty: \$2,500.00**

The Administration ordered Aetna to pay an administrative penalty of \$2,500.00 for violation of § 15-10B-09.1 of the Insurance Article by failing to base its March 11, 2013 grievance decision on the professional judgment of a physician board certified or eligible in the same specialty as the treatment under review.

**Coventry Health and Life Insurance Company (“Coventry”)**

**Case No.: 2013-12-008**

**Effective Date: December 6, 2013**

**Penalty: \$5,000.00**

The Administration ordered Coventry to pay an administrative penalty of \$2,500.00 for violation of § 15-10A-02(f)(2)(v)1 of the Insurance Article by failing to provide the required information in its February 24, 2012 Notice of Adverse Decision. The Administration also ordered Coventry to pay an administrative penalty of \$2,500.00 for violation of § 15-10A-02(i)(1)(ii)4.A.(2) of the Insurance Article by failing to provide the required information in its January 18, 2013 Notice of Grievance Decision. The Administration ordered Coventry to provide documentation to the Commissioner showing that it is no longer relying on private review criteria regarding procedure code 22851/intervertebral biomechanical device (i.e. synthetic cage) that are not clinically valid, not compatible with established principles of health care and not flexible enough to allow for deviations from norms when justified on a case by case basis.