

**The
Maryland Insurance
Administration's 2006
Report
On
The Health Care Appeals &
Grievance Law**

AUGUST, 2007

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Interim Insurance Commissioner**

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I. EXECUTIVE SUMMARY

The medical coverage provided by health maintenance organization (HMOs), insurers, and nonprofit health service plans (sometimes referred to as "carriers" or "health plans") generally extends only to treatment that is "medically necessary." The question of whether a particular treatment is medically necessary involves medical expertise and judgment and a carrier's decision that treatment is not medically necessary may conflict with the opinion of the treating provider that recommended the treatment.

In 1998, the Appeals & Grievance Law was enacted by the General Assembly to establish a process for determining whether, among other things, a treatment is medically necessary by providing a mechanism for ensuring coordination between health care providers and carriers during utilization review. This law, which took effect on January 1, 1999 and which is codified at Title 15, Subtitle 10A of the Insurance Article, applies to every policy or plan issued by a carrier in Maryland. The mechanism for determining the medical necessity of a proposed treatment includes a carrier's internal review process and the Administration's review of a complaint that the insured individual may trigger whenever coverage for a treatment has been denied on that ground. In addition, the Appeals and Grievance Law gave the Maryland Insurance Administration (the "Administration") authority over private review agents and established a new statutory process to certify medical directors of HMOs. Regulatory oversight of private review agents and medical directors is codified at Title 15, Subtitle 10B and Subtitle 10C of the Insurance Article, respectively.

The Appeals & Grievance Law was revised in 2000 to: 1) clarify that carriers must send written notice of the adverse decision to the member and the member's health care provider within five working days of the carrier rendering the adverse decision; 2) require that the written notice inform the member that the Health Education and Advocacy Unit of the Consumer Protection Division of the Office of the Attorney General ("HEAU") is available to assist the member; 3) establish the authority of the Commissioner to conduct market conduct examinations of private review agents; and 4) clarify the private review agent law so that the Commissioner could implement the private review agent statute in accordance with the provisions established by the enactment of Chapter 112, Acts of 1998.

In 2001 the law was amended to: 1) require carriers to allow members or health care providers acting on behalf of members to file a grievance 180 days after the member receives the adverse decision for a retrospective denial; 2) allow a member or health care provider on behalf of a member 30 working days after the receipt of a grievance decision to file a complaint with the Commissioner to review the grievance decision; and 3) require all carriers to report the number of adverse decisions issued by the carriers to the Commissioner on a form required by the Commissioner. In addition, the law was amended to provide that Title 15, Subtitles 10B and 10D of the Insurance

Article apply to health maintenance organizations (HMOs), and that under certain circumstances a private review agent's grievance decision must be based upon the professional judgment of a board certified or eligible physician.

This report summarizes the data reported to the Administration by the carriers for calendar year 2006 as required by § 15-10A-06 of the Insurance Article. This report also summarizes complaint information and the enforcement activity of the Administration for calendar year 2006. Reports have been submitted each year since 1999.

Pursuant to § 15-10A-08 of the Insurance Article, the HEAU is also required to submit a report in November of each year. The HEAU report is based on a fiscal year and as such, the data contained in the Administration's report and HEAU's report do not measure activity for comparable periods of time.

II. MARYLAND'S APPEALS & GRIEVANCE LAW

The process is divided into two parts: a) the internal grievance process, which is conducted by the carrier; and b) the Administration's review, which may include the use of a medical expert if the member is dissatisfied with the carrier's decision at the internal level and submits a complaint to the Administration.

A. The Carrier's Internal Grievance Process

The Appeals & Grievance Law requires that if the carrier denies services based on lack of medical necessity, the carrier must provide the member a written "adverse decision" within five (5) working days of the decision.

The written adverse decision must:

- State in clear and understandable language the specific factual bases for the decision;
- Reference the specific medical criteria relied on to make the decision;
- State the name, address and phone number of the person responsible for the decision;
- Explain in detail the carrier's internal grievance process;
- Inform the member that the HEAU can assist him;
- Provide the address and telephone number, facsimile number and e-mail address of the HEAU;
- Inform the member that they have a right to submit a complaint to the Commissioner within 30 working days after receipt of a carrier's grievance decision if the member is dissatisfied with the outcome;
- Inform the member that a complaint may be submitted without first filing a grievance with the carrier if there is a compelling reason; and
- Provide the Commissioner's address, telephone number and facsimile number.

If the member, or a provider acting on behalf of the member, challenges the adverse decision of the carrier, the member must go through an internal grievance process which is established by the carrier. However, if the case involves a compelling reason, the member may complain directly to the Administration, triggering an investigation.

This internal grievance process must provide:

- An expedited procedure for use in an emergency case for purposes of rendering a grievance decision within 24 hours of the date a grievance is filed with the carrier;
- That a carrier render a final decision in writing on a grievance within 30 working days after the date the grievance is filed. If the grievance involves a retrospective denial, the carrier has 45 working days to render a decision.

The grievance decision shall:

- State in clear language the specific factual bases for the decision;
- Reference the specific criteria relied on to make the decision;
- State the name, business address and business telephone number of the person making the decision;
- Inform the member that he has a right to file a complaint with the Commissioner within 30 working days after receipt of a carrier's decision if the member is dissatisfied with the decision; and
- Provide the Commissioner's address, telephone number and facsimile number.

Consumers may receive assistance through the internal grievance process from the HEAU. The HEAU will attempt to mediate disputes between the member and the carrier or, in the appropriate case, help the member prepare a grievance.

B. Appeals & Grievance Complaint Process at the Insurance Administration

If the complainant is dissatisfied with the grievance decision, the complainant may submit a written complaint to the Administration. (Appendix A provides a chart of the complaint process.) The Administration will then facilitate an independent review of the medical necessity of the treatment at issue by obtaining all information relevant to the issue, including the patient's medical records and information from the Carrier.

Once the carrier's response and all relevant information are received, the case is reviewed to determine if it will be referred to an Independent Review Organization

("IRO") for medical review. Under certain circumstances, such as the absence of jurisdiction by the Administration, or because the carrier has decided to provide the services in question, the Administration will not refer a case to a medical expert. It may be determined that a complaint is not within the jurisdiction of the Administration either because of ERISA, which preempts the application of State laws to self-insured health plans, or because the complaint involves government plans; such as the Medicare or Medicaid programs, etc. If so, the complainant is notified of this determination by mail, and the complaint is transferred to the appropriate agency. Complaints that relate to quality of care are referred to the Department of Health & Mental Hygiene ("DHMH") for review. (Refer to Appendix A for a chart on how complaints are handled.) If a complaint has a medical necessity component and a quality of care component, then both the DHMH and the Administration will investigate the portions of the case over which these respective agencies have jurisdiction.

If the Administration determines it has jurisdiction and the complaint involves a denial based on an asserted lack of medical necessity (as opposed to denials based on specific contractual exclusions), the case will be referred to the IRO. When complaints are referred to an IRO, the IRO is requested to examine the utilization review criteria applied in the case, as well as the specific judgment of the medical director made under the utilization review criteria. If the IRO concludes that the treatment at issue is medically necessary, the MIA informs the carrier of the IRO's opinion. If the carrier does not agree to cover the service in question after the IRO concludes that the treatment is medically necessary, the MIA issues an Order against the carrier. The Order is forwarded to the carrier and accompanied by a notice that the carrier has the right to request a hearing. At the same time, the complainant is notified of the outcome. Orders may also be issued as a result of failure to comply with the procedural requirements of the law, such as, failure to issue a written notice of adverse or grievance decision.

If the IRO agrees that the treatment is not medically necessary, the complainant is notified by mail and informed that he or she has the right to request a hearing. The carrier is also informed of this decision.

Complainants may withdraw their complaints during the Administration's review process. Also, some complaints are closed because the complainant fails to respond to a request for information. This only occurs after at least one written warning is issued to the complainant stating that the file will be closed unless additional information is provided. In addition, carriers may reverse their original denials for a number of reasons, including following a review of information submitted during the review process. Maryland law allows health care providers to file complaints on behalf of the patients being treated.

III. ERISA PREEMPTION OF STATE MEDICAL NECESSITY REVIEW LAWS

The Employee Retirement Income Security Act of 1974 (ERISA) is a federal law that regulates certain employee welfare benefit plans, including plans that provide

health and disability benefits. ERISA generally preempts state laws that "relate to" such plans. ERISA's preemption clause does not, however, "exempt or relieve any person from any law of any State which regulates insurance" Thus, state laws that would otherwise be preempted because they "relate" to an employee benefit plan generally are "saved" from preemption if they regulate insurance.

The Maryland Court of Appeals has held that Maryland's medical necessity review laws, as well as those sections of the Maryland Unfair Claim Settlement Practices Act that apply to the payment of health and disability claims, are not preempted by ERISA. Similar legislation from other states also has withstood preemption challenges before the United States Supreme Court.

In *Connecticut Gen. Life Ins. Co. v. Ins. Comm'r for the State of Maryland*, 371 Md. 455 (2002), the Maryland Court of Appeals held that Maryland's Appeals and Grievance law (codified as Subtitles 10A and 10B of Title 15 of the Insurance Article) and Maryland's Unfair Claim Settlement Practices Act (codified as Title 27 of the Insurance Article) are not preempted by ERISA. Those laws require health insurers to establish an internal grievance process for insureds to challenge denials of coverage, permit the insured to seek review by the Insurance Commissioner, outline procedural and substantial requirements for entities performing utilization review, and define violations of those requirements as unfair claims settlement practices.

In *Connecticut General*, the Court concluded that the Appeals and Grievance and Unfair Claims Settlement laws are laws that regulate insurance, because they are directed at the business of insurance in a manner similar to the Illinois law upheld by the United States Supreme Court in *Rush*. In addition, the *Connecticut General* Court found that the Maryland enforcement mechanism was entirely consistent with, and not in conflict with, ERISA or its associated federal regulations. Hence, those laws are not subject to preemption under ordinary conflict analysis. The Petition for certiorari, filed in the United States Supreme Court by the insurers who lost their preemption challenge in *Connecticut General*, was subsequently dismissed.

Connecticut General relied primarily on the decision of the U.S. Supreme Court in *Rush Prudential HMO, Inc. v. Moran*, 536 U.S. 355 (2002). In that case, the Supreme Court rejected a challenge to an Illinois statute that required an external review by an independent medical expert of a health maintenance organization's denial of coverage of a medical service on the ground that it was not medically necessary. Under the Illinois law, if the independent expert found that the service was medically necessary, the HMO was required to pay for the services.

The Supreme Court concluded that the Illinois statute did relate to the operation of employee welfare benefit plans and, thus, fell within the ambit of the ERISA preemption statute. However, the Court also found that the Illinois statute was saved from preemption as a law that regulates insurance, because the law was directed at the insurance industry. In reaching that result, the Court expressly found that while HMOs

may be health care providers, they are also health care insurers, because they bear risk --a defining characteristic of an insurer.

In *Kentucky Assoc. of Health Plan, Inc. v. Miller*, 123 S.Ct. 1471 (2003), the Supreme Court jettisoned its traditional analysis under the savings clause and adopted a simpler, two-prong test for determining when a state law is a law that "regulates insurance." First, the state law must be specifically directed toward entities engaged in insurance. Second, the state law must substantially affect the risk pooling arrangement between the insurer and the insured. *Miller* concludes that a law affects the risk pooling arrangement if it alters or controls the actual terms of policies issued or otherwise alters the "scope of permissible bargains between insurers and insureds" The preemption analysis adopted by *Miller* provides substantial additional support for the conclusion reached by the Court of Appeals in *Connecticut General*.

IV. CERTIFICATION AND OVERSIGHT OF MEDICAL DIRECTORS OF HEALTH MAINTENANCE ORGANIZATIONS AND PRIVATE REVIEW AGENTS

Every health maintenance organization licensed to do business in Maryland is required to have certified medical directors. A medical director must hold a certificate from the Commissioner that authorizes the physician to act as a medical director for the health maintenance organization. Medical directors are responsible for utilization review decisions and the establishment and maintenance of quality assurance and utilization management policies and procedures for the health maintenance organization. Certification by the Commissioner ensures that all medical directors meet particular qualifications to perform their duties.

Any entity or person performing utilization review on behalf of a Maryland business entity, or a third party that pays for, provides or administers health care services to citizens of this State is required to submit an application to the Commissioner for approval by the Commissioner prior to conducting utilization review in Maryland. This entity or person is called a private review agent.

The Medical Director/Private Review Agent Oversight Unit (MD/PRA Oversight Unit) reviews applications for certification of private review agents to determine whether the utilization review policies, procedures and criteria of private review agents are compliant with Maryland law and regulations. The MD/PRA Oversight Unit is also responsible for ensuring that medical directors of health maintenance organizations licensed to do business in Maryland meet the requirements for certification. In 2006, the unit issued certificates to 13 new medical directors and renewed the certificates of 32 medical directors. There were 13 new private review agents certified in 2006 and 51 private review agents renewed their certificates. Currently, there are 91 certified medical directors working for HMOs in Maryland and 101 private review agents with certificates of registration from the Commissioner.

V. SUMMARY OF CARRIER DATA ON GRIEVANCES REPORTED TO THE ADMINISTRATION BY CARRIER

Section 15-10A-06 of the Insurance Article requires carriers to submit quarterly reports which provide:

- 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 under §15-10A-02(b)(2)(i) of Subtitle 10A;
- The time within which the carrier made a grievance decision on each emergency case;
- 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 as related to the medical procedure involved.

The largest volume of adverse decisions and grievances by far involved denials of hospital days (See Appendices B1 and B3). The Administration has seen this as a consistent trend since this data has been collected. It should be noted that some dental plan organizations (DPOs) also report very high numbers of grievances. The Insurance Administration has questioned the DPOs regarding their reported numbers of adverse and grievance decisions, but the DPOs maintain that the reports are correct. The Insurance Administration has no evidence to indicate that consumers are receiving this number of denials, as complaints regarding this type of service are not being filed with the Insurance Administration in any significance. Due to the questionable value of the DPOs' reports and in an effort not to incorrectly skew results, the Insurance Administration has listed the DPO responses in a separate Appendix (Appendices B11 and B12).

The carriers also report the number of internal decisions where they overturn themselves (Appendix B5). The data reveals that in year 2002, the greatest percentage of the internal reversals were in the areas of emergency room services, physician services, laboratory services and the category that includes podiatry, dental and optometry (Appendix B6). In 2003, the greatest percentage of the carrier internal reversals involved the category that includes podiatry, dental optometry and chiropractic services, laboratory and radiological services, home health care, and physician services.. (Appendix B7). In 2004, the greatest percentages of the carrier reversals were for "Other" services and for laboratory, radiology services and physician services (Appendix B8). In 2005, the greatest percentage of carrier reversals were in emergency room services, the category that includes podiatry, dental, optometry, and chiropractic

services, and physician services (Appendix B9). In 2006, the greatest percentage of carrier reversals was in physician services, the category that includes podiatry, dental optometry and chiropractic care, pharmacy services, and laboratory and radiology services (Appendix B10).

The carriers also reported that in 2002 the fewest reversals occurred for home health services. (Appendix B6). In 2003, the carriers reported the fewest reversals in mental health services. This was also the case in years 2004 through 2006, with the reversal rate for mental health at its highest in 2002 (27%) and dropping to 5% in 2006. (Appendices B6—B10).

VI. SUMMARY OF STATISTICAL DATA BASED ON COMPLAINTS FILED WITH THE ADMINISTRATION

A. Number Of Complaints Filed

The Appeals & Grievance Unit received a total of 1005 complaints asserting a denial of care or coverage based on the lack of medical necessity in 2006 (Appendix C1). As a point of comparison, in 2006 the Administration received 3674 complaints in its Life & Health Unit involving non-medical necessity disputes. These non-medical necessity complaints include disputes over whether a benefit is covered under a contract, the amount of reimbursement, as well as payments under health, disability, long-term care, life, annuities, and credit insurance policies. Complaints may be filed by providers on behalf of complainants. This includes individual doctors as well as facilities, such as hospitals.

B. Jurisdictional Issues

As indicated above, in 2006 the Unit received a total of 1005 complaints that dealt with or alleged medical necessity denials (Appendix C1). Of these, 619 were not sent to a medical expert by the Administration for review for the following reasons.

- In 279 cases, the Administration concluded that it did not have jurisdiction over the matter presented by the complaint. Of those:
 - 145 cases were referred to Department of Labor because the medical necessity decision was made in connection with benefits provided through a self-funded arrangement made by an employee welfare benefit plan and not through a fully insured product purchased by the plan;
 - 54 cases were referred to Office of Personnel Management (Federal Employees);
 - 6 cases were referred to Medicaid;
 - 5 cases were referred to Medicare;
 - 67 cases were referred to Insurance Departments in Other States; and
 - 2 cases were referred to another state agency.

- In 203 cases, the Administration concluded that the member had not exhausted the internal grievance procedure and forwarded the matter to HEAU.
- In 9 cases, the member withdrew their complaint to the Commissioner.
- In 51 cases, the Administration closed the case because the member failed to provide information necessary to complete the investigation. For example, in some cases the member would not provide a consent form for the Administration to secure medical records or the patient or provider otherwise refused to provide access to necessary medical information.
- In 77 cases, the Administration concluded that the complaint did not involve medical necessity determinations and referred the matter to the Life and Health Complaint Unit, that the complaint was a duplicate of an existing complaint, or that the complaint was submitted in error.

C. Synopsis of Complaints Reviewed by the Administration

The outcome of the remaining 386 complaints was as follows:

<u>CARRIER REVERSED ITSELF DURING MIA INVESTIGATION</u>	182
<u>CARRIER DETERMINATION UPHELD BY MIA</u>	195
<u>CARRIER DETERMINATION REVERSED BY MIA</u>	9

The carrier reversals occurred for several reasons including receipt of more information by the carrier or an administrative decision to provide care. As indicated in Appendix C5 and C6, the majority of the complaints investigated by the Administration fell into five categories: Physician Services, Hospital Denials, Mental Health/Substance Abuse Inpatient Services, Experimental and Pharmacy Services.

VII. CONSUMER SURVEY

As shown in Appendix E2, surveys were sent to individuals who had filed complaints with the Unit; the Administration received 62 responses. The surveys revealed that, overall, consumers were satisfied with the assistance they received from the HEAU and the Administration, although most did not feel that the carrier's internal process was fair. The consumers who responded indicated that they would use the process again if the need arose.

VIII. ENFORCEMENT ACTIVITIES

The statutory authority for the Commissioner to enforce the Appeals & Grievance law is found in Title 15, Subtitles 10A, 10B, and 10C; §4-113; and §27-303 of the

Insurance Article and §19-729 and §19-730 of the Health General Article. Carriers who issue health insurance products in the State are required, as a condition of maintaining a certificate of authority to do business in the State, to comply with all State licensing and regulatory laws, including those laws that require carriers to fulfill their contractual obligations to their members. Consequently, a carrier who fails to pay for a medically necessary service covered under a policy is subject to sanctions by the Commissioner, including an order of restitution that requires the carrier to pay for such a service in accordance with the carrier's contractual obligation. The Commissioner also has authority to fine a carrier for sending an adverse or grievance decision letter that did not comply with the law; failure to timely authorize medically necessary services; and failure to have the appropriate physician conduct the utilization review. Enforcement actions are taken by the Appeals & Grievance Complaint Unit and the Life & Health Market Conduct Unit.

A. Appeals & Grievance Complaint Unit

The Administration issued 9 Orders and Consent Orders based on the complaints which it received. These Orders were issued based on: the carrier's inappropriate denial of medically necessary services; the carrier's failure to send statutory complaint notices when services are denied as not medically necessary; and the carrier's failure to timely authorize services. The services that are the subject of these Orders include denied hospital days, mental health treatment, pharmacy services, and durable medical equipment. Administrative penalties of \$2,500.00 have been imposed. As a result of complaints where the carrier reversed itself during the course of the Administration's investigation, recoveries were recorded in the amount of \$873,273.00.

A summary of the Orders and Consent Orders are found at Appendix D.

B. Life and Health Market Conduct Unit

The Life and Health Market Conduct Unit performed two market conduct examinations during 2006 that included compliance with laws and regulations regarding adverse decisions and coverage decisions. Both examinations are completed and therefore are public documents.

The completed examinations are:

1. Delta Dental Insurance Company
2. Union Labor Life Insurance Company (ULICO)

The examinations found various areas of non-compliance with various laws and regulations. A summary of the violations regarding adverse decisions is as follows:

1. **Delta Dental Insurance Company**

A target market conduct examination was conducted of Delta Dental Insurance Company ("Delta"), which included compliance with Title 15, Subtitles 10A and 10B of the Insurance Article and COMAR 31.10.18 and 31.10.21.

The market conduct examiners did not find any violations of Insurance Article, Title 15, Subtitles 10A and 10B during the examination.

2. Union Labor Life Insurance Company

A comprehensive examination of the Company ("ULICO"), which included compliance with Title 15, Subtitles 10A and 10B of the Insurance Article and COMAR 31.10.18 and 31.10.21.

The examination revealed that the Company failed to comply with the following:

- 1) Section 15-10B-06(a)(1)(i) for failure to make initial determinations within 2 working days of receipt of necessary information to make a determination.
- 2) Section 15-10A-02(i)(1)(i) failure to document the grievance decision in writing after providing oral communication of the decision to the member/provider.
- 3) Section 15-10A-02(f)(2)(1) failure to provide oral notice.
- 4) Section 15-10A-02(f)(2)(1) failure to document adverse decision in writing.
- 5) Section 15-10A-02(f)(2) failure to send written notice within 5 days of decision.
- 6) Section 15-10A-02(f)(2)(i)(ii) and (iii) failure to provide specific factual basis for denial, failure to provide specific criteria and failure to identify person responsible for the decisions.
- 7) Violation §15-10A-02(f)(2)(iv) failure to include carrier's internal grievance process on denied file.
- 8) Violation §15-10A-02(f)(2)(v)(2) failure to provide information that a complaint can be filed with the MIA without first filing a grievance with the carrier.

- 9) Violation §15-10A-02(i)(1)(i) failure to provide oral communication.
- 10) Violation §15-10A-02(i)(1)(ii)1 failure to provide specific factual basis for denial.
- 11) Violation §15-10A-02(i)(1)(ii)2 failure to provide specific criteria on 3 denials.
- 12) Violation §15-10A-02(i)(1)(ii)3B failure to identify responsible individual.
- 13) Violation §15-10A-02(i)(1)(ii)4A&B failure to provide information that a complaint can be filed with the MIA without first filing a grievance with the carrier.
- 14) Violation §15-10A-02(i)(1)(ii) failure to send written notice within 5 days of decision.

IX. CONCLUSIONS

The Medical Director/Private Review Agent Oversight Unit, Life & Health Market Conduct Unit, and Appeals & Grievance Complaint Unit work collectively to ensure regulatory compliance and protection of Maryland citizens. This is accomplished by:

- Regular joint meetings of the members of these units to discuss the activity of regulated entities including private review agents, carriers and medical directors who make utilization review determinations;
- Monitoring the implementation of utilization management policies and procedures via consumer complaint management and market conduct examinations;
- Effective and efficient oversight of regulated entities and handling consumer complaints; and
- Consistent review of utilization management policies and procedures and review criteria that medical directors approve.

It is evident that this law has had a positive effect on the ability of consumers to promptly obtain appropriate medically necessary services.

X. APPENDICES

A. Health Care Complaints Under State Law

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HEALTH CARE COMPLAINTS UNDER STATE LAW – Appendix A

1. Medical Necessity

A. Individual receives an adverse decision from carrier concerning whether treatment is medically necessary.

B. Individual must exhaust carrier's internal grievance process unless emergency or compelling reason exist. If it is a compelling reason, file the complaint with Insurance Administration.

C. Health Advocacy Unit of the Attorney General's Office can help with the Grievance Process.

I. Gather information

II. Prepare Grievance

(410) 528-1840

www.oag.state.md.us

D. If your complaint is not appropriately resolved then you can proceed by filing a written complaint with the:

Maryland Insurance Administration

525 St. Paul Place

Baltimore, MD 21202

1-800-492-6116

I. Gather Information

II. Consult with medical experts

III. Render a Final Decision.

2. Contract Issues

A. Individual informed by carrier that services not covered by contract.

B. Individual must exhaust carrier's internal appeal process unless an urgent medical condition exists. If it is an urgent medical condition, the complaint may be filed with the Insurance Administration.

C. File a complaint in writing with the:

Maryland Insurance Administration

525 St. Paul Place

Baltimore, MD 21202

1-800-492-6116

D. Maryland Insurance Administration will conduct investigation and render a decision.

3. Quality of Care

A. Individual believes services or treatment received from physician improper.

B. File a complaint in writing with the:

Maryland Insurance Administration

525 St. Paul Place

Baltimore, MD 21202

1-800-492-6116

C. Complaint referred to the Department of Health & Mental Hygiene for investigation.

4. No Jurisdiction

A. Category of cases the Maryland Insurance Administration does not have jurisdiction over:

- ERISA
- Medicare
- Medicaid
- Federal Employee
- Not a Maryland Resident and contract issued in another state.

B. These cases are referred to appropriate Agency for investigation.

Explanatory Material for Appendices B1 – B14 — 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.

A. Inpatient Hospital Services
Denial of Hospital Days
Hospital Length of Stay
Inpatient Hospital Stay
B. Emergency Room Services
Emergency Treatment
C. Mental Health Services
Mental Health (Inpatient) Services
Mental Health (Outpatient) Services
Substance Abuse (Inpatient) Services
Substance Abuse (Outpatient) Services
D. Physician Services
Acupuncture
Breast Reduction
Clinical Trial
Cosmetic
Experimental
Physician Services
Quality of Care
E. Laboratory, Radiology Services
Lab, Imaging, Testing
F. Pharmacy Services
Pharmacy
G. PT, OT, ST Services (incl inpt rehab)
Inpatient Rehabilitation
Out Patient Rehab
Physical Therapy
PT, OT, Speech Therapy
Rehabilitation Services
Speech Therapy
H. Skilled Nurs-Sub Acute Fac, Nurs Home
Assisted Living
Skilled Nursing
I. Durable Medical Equipment
Durable Medical Equipment
J. Podiatry, Dental Optometry, Chiropractic
Chiropractic Care Services
Dental
K. Home Health Services
Home Health Care
L. Other
Claim Payment
Coordination of Benefits
Custodial Care Services
Denial of Claim
Educational Services
Morbid Obesity
No Preauthorization
Out-of-Network Benefits
Policy Coverages
Review Carrier's Criteria
Transportation Services
Other

**APPEALS AND GRIEVANCES
CARRIER'S INTERNAL ADVERSE DECISIONS STATISTICS BY CATEGORY - 2006 Appendix B1**

NAIC #	COMPANY NAME	ADVERSE DECISIONS		A. INPATIENT HOSPITAL SERVICES		B. EMERGENCY ROOM SERVICES		C. MENTAL HEALTH SERVICES	
		COMPANY TOTAL	% OF ALL COMPANIES	NUMBER	% TOTAL	NUMBER	% TOTAL	NUMBER	% TOTAL
95590	Aetna Health Inc.	5518	14.10%	2209	40.0%	0	0.0%	155	2.8%
60054	Aetna Life Insurance Company	188	0.48%	107	56.9%	0	0.0%	30	16.0%
97179	American Medical Security Life Ins Co	7	0.02%	0	0.0%	0	0.0%	0	0.0%
60836	American Republic Insurance Company	2	0.01%	0	0.0%	0	0.0%	0	0.0%
61301	Ameritas Life Ins Co	23	0.06%	0	0.0%	0	0.0%	0	0.0%
96202	CareFirst BlueChoice, Inc	7978	20.39%	3895	48.8%	75	0.9%	344	4.3%
47058	CareFirst of Maryland, Inc.	6883	17.59%	2311	33.6%	2	0.0%	234	3.4%
95599	CIGNA Healthcare Mid-Atlantic, Inc.	461	1.18%	183	39.7%	0	0.0%	4	0.9%
77828	Companion Life Insurance Co	19	0.05%	0	0.0%	0	0.0%	0	0.0%
62308	Connecticut General Life Insurance	1073	2.74%	155	14.4%	0	0.0%	3	0.3%
62413	Continental Assurance Company	9	0.02%	1	11.1%	0	0.0%	0	0.0%
96460	Coventry Health Care of Delaware, Inc.	742	1.90%	501	67.5%	0	0.0%	0	0.0%
43010	Fidelity Insurance Company	7	0.02%	7	100.0%	0	0.0%	0	0.0%
53007	Group Hosp & MedServ, Inc.	4435	11.34%	896	20.2%	11	0.2%	181	4.1%
64246	Guardian Life Ins Co Of America	742	1.90%	28	3.8%	0	0.0%	7	0.9%
70254	Jefferson Pilot Financial Insurance Company	11	0.03%	0	0.0%	0	0.0%	0	0.0%
95639	Kaiser Fndtn Health Plan-Mid-Atl	2187	5.59%	83	3.8%	0	0.0%	86	3.9%
60321	MAMSI Life & Health Ins Co	1708	4.37%	643	37.6%	633	37.1%	43	2.5%
38970	Markel Insurance Company	2	0.01%	0	0.0%	0	0.0%	0	0.0%
96310	MD-Individual Practive Assoc.	892	2.28%	400	44.8%	91	10.2%	1	0.1%
66869	Nationwide Life Ins Co	4	0.01%	1	25.0%	0	0.0%	0	0.0%
96940	Optimum Choice, Inc.	5568	14.23%	2574	46.2%	854	15.3%	53	1.0%
68241	Prudential Insurance Company of America	1	0.00%	1	100.0%	0	0.0%	0	0.0%
68381	Reliance Standard Life Ins Co	1	0.00%	0	0.0%	0	0.0%	0	0.0%
69019	Standard Insurance Company	1	0.00%	0	0.0%	0	0.0%	0	0.0%
69477	Time Insurance Company	11	0.03%	1	9.1%	0	0.0%	0	0.0%
61425	Trustmark Insurance Co	4	0.01%	2	50.0%	0	0.0%	0	0.0%
62863	Trustmark Life Insurance Company	5	0.01%	2	40.0%	0	0.0%	0	0.0%
80314	UNICARE Life & Health Ins Co	389	0.99%	28	7.2%	0	0.0%	2	0.5%
69744	Union Labor Life Insurance Company	25	0.06%	7	28.0%	0	0.0%	0	0.0%
70408	Union Security Insurance Company	2	0.01%	0	0.0%	0	0.0%	0	0.0%
85766	United Concordia Insurance Company	3	0.01%	0	0.0%	0	0.0%	0	0.0%
62294	United Concordia Life and Health Ins Co	141	0.36%	0	0.0%	0	0.0%	0	0.0%
79413	United HealthCare Ins Co	53	0.14%	9	17.0%	0	0.0%	3	5.7%
95025	United HealthCare of the Mid-Atl	27	0.07%	6	22.2%	0	0.0%	1	3.7%
	Total	39122		14050	35.9%	1666	4.3%	1147	2.9%

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

APPEALS AND GRIEVANCES

CARRIER'S INTERNAL ADVERSE DECISIONS STATISTICS BY CATEGORY - 2006 Appendix B1

NAIC #	COMPANY NAME	D. PHYSICIAN SERVICES		E. RADIOLOGY SERV		F. PHARMACY SERVICES		G. PT, OT, ST Services (incl INPAT REHAB)	
		NUMBER	% TOTAL	NUMBER	% TOTAL	NUMBER	% TOTAL	NUMBER	% TOTAL
95590	Aetna Health Inc.	2882	52.2%	0	0.0%	0	0.0%	49	0.9%
60054	Aetna Life Insurance Company	15	8.0%	0	0.0%	0	0.0%	5	2.7%
97179	American Medical Security Life Ins Co	0	0.0%	7	100.0%	0	0.0%	0	0.0%
60836	American Republic Insurance Company	0	0.0%	0	0.0%	1	50.0%	0	0.0%
61301	Ameritas Life Ins Co	0	0.0%	0	0.0%	0	0.0%	0	0.0%
96202	CareFirst BlueChoice, Inc	889	11.1%	125	1.6%	1583	19.8%	286	3.6%
47058	CareFirst of Maryland, Inc.	688	10.0%	467	6.8%	501	7.3%	308	4.5%
95599	CIGNA Healthcare Mid-Atlantic, Inc.	115	24.9%	33	7.2%	92	20.0%	1	0.2%
77828	Companion Life Insurance Co	0	0.0%	0	0.0%	0	0.0%	0	0.0%
62308	Connecticut General Life Insurance	161	15.0%	15	1.4%	553	51.5%	3	0.3%
62413	Continental Assurance Company	7	77.8%	1	11.1%	0	0.0%	0	0.0%
96460	Coventry Health Care of Delaware, Inc.	103	13.9%	14	1.9%	22	3.0%	34	4.6%
43010	Fidelity Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
53007	Group Hosp & MedServ, Inc.	1126	25.4%	107	2.4%	928	20.9%	393	8.9%
64246	Guardian Life Ins Co Of America	18	2.4%	12	1.6%	194	26.1%	63	8.5%
70254	Jefferson Pilot Financial Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
95639	Kaiser Fndtn Health Plan-Mid-Atl	1053	48.1%	211	9.6%	0	0.0%	153	7.0%
60321	MAMSI Life & Health Ins Co	84	4.9%	18	1.1%	24	1.4%	55	3.2%
38970	Markel Insurance Company	1	50.0%	1	50.0%	0	0.0%	0	0.0%
96310	MD-Individual Practive Assoc.	44	4.9%	184	20.6%	20	2.2%	28	3.1%
66869	Nationwide Life Ins Co	1	25.0%	0	0.0%	1	25.0%	0	0.0%
96940	Optimum Choice, Inc.	194	3.5%	1279	23.0%	77	1.4%	178	3.2%
68241	Prudential Insurance Company of America	0	0.0%	0	0.0%	0	0.0%	0	0.0%
68381	Reliance Standard Life Ins Co	0	0.0%	0	0.0%	0	0.0%	0	0.0%
69019	Standard Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
69477	Time Insurance Company	1	9.1%	0	0.0%	0	0.0%	2	18.2%
61425	Trustmark Insurance Co	0	0.0%	0	0.0%	0	0.0%	0	0.0%
62863	Trustmark Life Insurance Company	2	40.0%	0	0.0%	0	0.0%	0	0.0%
80314	UNICARE Life & Health Ins Co	84	21.6%	92	23.7%	113	29.0%	23	5.9%
69744	Union Labor Life Insurance Company	1	4.0%	0	0.0%	0	0.0%	9	36.0%
70408	Union Security Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
85766	United Concordia Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
62294	United Concordia Life and Health Ins Co	0	0.0%	0	0.0%	0	0.0%	0	0.0%
79413	United HealthCare Ins Co	16	30.2%	0	0.0%	0	0.0%	2	3.8%
95025	United HealthCare of the Mid-Atl	2	7.4%	0	0.0%	0	0.0%	0	0.0%
	Total	7487	19.1%	2566	6.6%	4109	10.5%	1592	4.1%

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

**APPEALS AND GRIEVANCES
CARRIER'S INTERNAL ADVERSE DECISIONS STATISTICS BY CATEGORY - 2006 Appendix B1**

NA/IC #	COMPANY NAME	H. SKILLED NURS, FAC, J. DURABLE MEDICAL		I. EQUIPMENT Services		J. PODIATRY, DENTAL, OPTOMETRY, CHIRO		K. HOME HEALTH SERVICES	
		Sub-Acute, Nurs Home		EQUIPMENT Services		OPTOMETRY, CHIRO		SERVICES	
		NUMBER	% TOTAL	NUMBER	% TOTAL	NUMBER	% TOTAL	NUMBER	% TOTAL
95590	Aetna Health Inc.	202	3.7%	21	0.4%	0	0.0%	0	0.0%
60054	Aetna Life Insurance Company	26	13.8%	5	2.7%	0	0.0%	0	0.0%
97179	American Medical Security Life Ins Co	0	0.0%	0	0.0%	0	0.0%	0	0.0%
60836	American Republic Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
61301	Ameritas Life Ins Co	0	0.0%	0	0.0%	23	100.0%	0	0.0%
96202	CareFirst BlueChoice, Inc	49	0.6%	242	3.0%	421	5.3%	45	0.6%
47058	CareFirst of Maryland, Inc.	28	0.4%	1250	18.2%	1086	15.8%	5	0.1%
95599	CIGNA Healthcare Mid-Atlantic, Inc.	2	0.4%	8	1.7%	18	3.9%	5	1.1%
77828	Companion Life Insurance Co	0	0.0%	0	0.0%	19	100.0%	0	0.0%
62308	Connecticut General Life Insurance	0	0.0%	9	0.8%	163	15.2%	11	1.0%
62413	Continental Assurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
96460	Coventry Health Care of Delaware, Inc.	3	0.4%	61	8.2%	0	0.0%	4	0.5%
43010	Fidelity Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
53007	Group Hosp & MedServ, Inc.	10	0.2%	127	2.9%	645	14.5%	1	0.0%
64246	Guardian Life Ins Co Of America	0	0.0%	8	1.1%	396	53.4%	0	0.0%
70254	Jefferson Pilot Financial Insurance Company	0	0.0%	0	0.0%	11	100.0%	0	0.0%
95639	Kaiser Fndtn Health Plan-Mid-Atl	9	0.4%	251	11.5%	257	11.8%	16	0.7%
60321	MAMSI Life & Health Ins Co	57	3.3%	79	4.6%	71	4.2%	1	0.1%
38970	Markel Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
96310	MD-Individual Practice Assoc.	39	4.4%	24	2.7%	61	6.8%	0	0.0%
66869	Nationwide Life Ins Co	0	0.0%	1	25.0%	0	0.0%	0	0.0%
96940	Optimum Choice, Inc.	118	2.1%	137	2.5%	104	1.9%	0	0.0%
68241	Prudential Insurance Company of America	0	0.0%	0	0.0%	0	0.0%	0	0.0%
68381	Reliance Standard Life Ins Co	0	0.0%	0	0.0%	1	100.0%	0	0.0%
69019	Standard Insurance Company	0	0.0%	0	0.0%	1	100.0%	0	0.0%
69477	Time Insurance Company	0	0.0%	0	0.0%	7	63.6%	0	0.0%
61425	Trustmark Insurance Co	0	0.0%	0	0.0%	2	50.0%	0	0.0%
62863	Trustmark Life Insurance Company	0	0.0%	0	0.0%	1	20.0%	0	0.0%
80314	UNICARE Life & Health Ins Co	0	0.0%	25	6.4%	17	4.4%	5	1.3%
69744	Union Labor Life Insurance Company	0	0.0%	1	4.0%	4	16.0%	0	0.0%
70408	Union Security Insurance Company	0	0.0%	0	0.0%	2	100.0%	0	0.0%
85766	United Concordia Insurance Company	0	0.0%	0	0.0%	3	100.0%	0	0.0%
62294	United Concordia Life and Health Ins Co	0	0.0%	0	0.0%	141	100.0%	0	0.0%
79413	United HealthCare Ins Co	1	1.9%	2	3.8%	0	0.0%	0	0.0%
95025	United HealthCare of the Mid-Atl	0	0.0%	1	3.7%	0	0.0%	0	0.0%
	Total	544	1.4%	2252	5.8%	3454	8.8%	93	0.2%

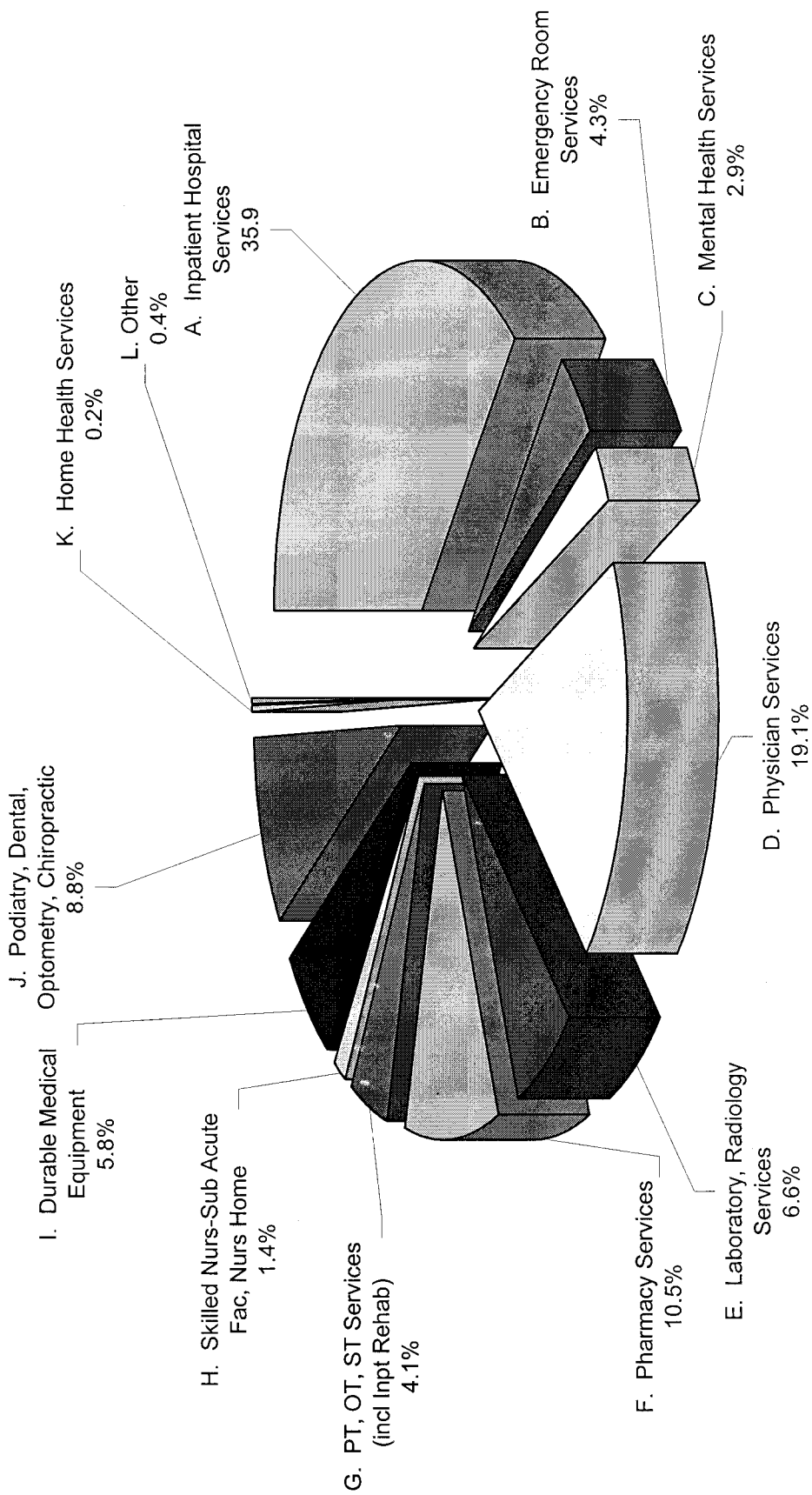
*L=Outpatient Hospital Services,
Education Services, and
Transportation

**APPEALS AND GRIEVANCES
CARRIER'S INTERNAL ADVERSE DECISIONS STATISTICS BY CATEGORY - 2006 Appendix B1**

NA/C #	COMPANY NAME	*L OTHER	
		NUMBER	% TOTAL
95590	Aetna Health Inc.	0	0.0%
60054	Aetna Life Insurance Company	0	0.0%
97179	American Medical Security Life Ins Co	0	0.0%
60836	American Republic Insurance Company	1	50.0%
61301	Ameritas Life Ins Co	0	0.0%
96202	CareFirst BlueChoice, Inc	24	0.3%
47058	CareFirst of Maryland, Inc.	3	0.0%
95599	CIGNA Healthcare Mid-Atlantic, Inc.	0	0.0%
77828	Companion Life Insurance Co	0	0.0%
62308	Connecticut General Life Insurance	0	0.0%
62413	Continental Assurance Company	0	0.0%
96460	Coventry Health Care of Delaware, Inc.	0	0.0%
43010	Fidelity Insurance Company	0	0.0%
53007	Group Hosp & MedServ, Inc.	10	0.2%
64246	Guardian Life Ins Co Of America	16	2.2%
70254	Jefferson Pilot Financial Insurance Company	0	0.0%
95639	Kaiser Fndtn Health Plan-Mid-Atl	68	3.1%
60321	MAMSI Life & Health Ins Co	0	0.0%
38970	Markel Insurance Company	0	0.0%
96310	MD-Individual Practive Assoc.	0	0.0%
66869	Nationwide Life Ins Co	0	0.0%
96940	Optimum Choice, Inc.	0	0.0%
68241	Prudential Insurance Company of America	0	0.0%
68381	Reliance Standard Life Ins Co	0	0.0%
69019	Standard Insurance Company	0	0.0%
69477	Time Insurance Company	0	0.0%
61425	Trustmark Insurance Co	0	0.0%
62863	Trustmark Life Insurance Company	0	0.0%
80314	UNICARE Life & Health Ins Co	0	0.0%
69744	Union Labor Life Insurance Company	3	12.0%
70408	Union Security Insurance Company	0	0.0%
85766	United Concordia Insurance Company	0	0.0%
62294	United Concordia Life and Health Ins Co	0	0.0%
79413	United HealthCare Ins Co	20	37.7%
95025	United HealthCare of the Mid-Atl	17	63.0%
	Total	162	0.4%

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

CARRIER'S INTERNAL ADVERSE DECISIONS REPORTED BY SERVICES - 2006
APPENDIX B2



**APPEALS AND GRIEVANCES
CARRIER'S INTERNAL GRIEVANCE STATISTICS BY SERVICE - 2006 Appendix B3**

NAIC #	COMPANY NAME	GRIEVANCES FILED		A. INPATIENT HOSPITAL SERVICES		B. EMERGENCY ROOM SERVICES		C. MENTAL HEALTH SERVICES	
		COMPANY TOTAL	% OF ALL COMPANIES	NUMBER	% TOTAL	NUMBER	% TOTAL	NUMBER	% TOTAL
95590	Aetna Healthcare Inc.	123	2.3%	6	4.9%	0	0.0%	0	0.0%
60054	Aetna Life Insurance Company	19	0.4%	4	21.1%	0	0.0%	0	0.0%
97179	American Medical Security Life Ins. Co.	1	0.0%	0	0.0%	0	0.0%	0	0.0%
71773	American National Life Ins. Co. of Texas	1	0.0%	0	0.0%	0	0.0%	0	0.0%
60836	American Republic Insurance Company	2	0.0%	0	0.0%	0	0.0%	0	0.0%
61301	Ameritas Life Insurance Corp.	1	0.0%	0	0.0%	0	0.0%	0	0.0%
96202	CareFirst BlueChoice, Inc.	1156	22.0%	387	33.5%	3	0.3%	109	9.4%
47058	CareFirst of Maryland, Inc.	685	13.0%	215	31.4%	1	0.1%	76	11.1%
95599	CIGNA Healthcare Mid-Atlantic, Inc.	93	1.8%	34	36.6%	5	5.4%	0	0.0%
77828	Companion Life Insurance Co.	1	0.0%	0	0.0%	0	0.0%	0	0.0%
62308	Connecticut General Life Insurance	219	4.2%	36	16.4%	3	1.4%	2	0.9%
78174	Conseco Health Insurance Company	2	0.0%	2	100.0%	0	0.0%	0	0.0%
62413	Continental Assurance Co.	9	0.2%	1	11.1%	0	0.0%	0	0.0%
96460	Coventry Health Care of Delaware, Inc.	109	2.1%	8	7.3%	22	20.2%	0	0.0%
43010	Fidelity Ins. Co. of MD	17	0.3%	11	64.7%	6	35.3%	0	0.0%
53007	Group Hosp & MedServ, Inc.	369	7.0%	52	14.1%	2	0.5%	42	11.4%
64246	Guardian Life Ins. Co. Of America	196	3.7%	7	3.6%	0	0.0%	4	2.0%
70254	Jefferson Pilot Financial Ins. Co.	3	0.1%	0	0.0%	0	0.0%	0	0.0%
95639	Kaiser Fndtn Health Plan-Mid-Atl	128	2.4%	11	8.6%	3	2.3%	2	1.6%
60321	MAMSI Life & Health Ins. Co.	406	7.7%	311	76.6%	23	5.7%	9	2.2%
96310	MD-Individual Practive Assoc.	219	4.2%	176	80.4%	6	2.7%	0	0.0%
97055	Mega Life & Health Ins. Co.	1	0.0%	0	0.0%	0	0.0%	0	0.0%
96940	Optimum Choice, Inc.	1272	24.2%	1030	81.0%	67	5.3%	10	0.8%
68241	Prudential Insurance Company of America	2	0.0%	2	100.0%	0	0.0%	0	0.0%
69019	Standard Insurance Company	4	0.1%	0	0.0%	0	0.0%	0	0.0%
69477	Time Insurance Company	2	0.0%	0	0.0%	0	0.0%	0	0.0%
61425	Trustmark Insurance Co.	2	0.0%	0	0.0%	0	0.0%	0	0.0%
62863	Trustmark Life Insurance Company	9	0.2%	0	0.0%	0	0.0%	0	0.0%
80314	UNICARE Life & Health Ins. Co.	47	0.9%	6	12.8%	0	0.0%	1	2.1%
69744	Union Labor Life Insurance Company	8	0.2%	6	75.0%	0	0.0%	0	0.0%
70408	Union Security Ins. Co.	15	0.3%	0	0.0%	0	0.0%	0	0.0%
85766	United Concordia Insurance Company	3	0.1%	0	0.0%	0	0.0%	0	0.0%
62294	United Concordia Life & Health Ins. Co.	67	1.3%	0	0.0%	0	0.0%	0	0.0%
79413	United HealthCare Ins. Co.	53	1.0%	4	7.5%	0	0.0%	3	5.7%
95025	United HealthCare of the Mid-Atl	14	0.3%	3	21.4%	0	0.0%	0	0.0%
69663	USAA Life Insurance Company	1	0.0%	0	0.0%	0	0.0%	0	0.0%
	Total	5259		2312	44.0%	141	2.7%	258	4.9%

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

**APPEALS AND GRIEVANCES
CARRIER'S INTERNAL GRIEVANCE STATISTICS BY SERVICE - 2006 Appendix B3**

NAIC #	COMPANY NAME	D. PHYSICIAN SERVICES		E. LABORATORY, RADIOLOGY SERV		F. PHARMACY SERVICES		G. PT, OT, ST Services (incl INPAT REHAB)	
		NUMBER	% TOTAL	NUMBER	% TOTAL	NUMBER	% TOTAL	NUMBER	% TOTAL
95590	Aetna Healthcare Inc.	12	9.8%	74	60.2%	25	20.3%	2	1.6%
60054	Aetna Life Insurance Company	7	36.8%	2	10.5%	1	5.3%	1	5.3%
97179	American Medical Security Life Ins. Co.	0	0.0%	1	100.0%	0	0.0%	0	0.0%
71773	American National Life Ins. Co. of Texas	1	100.0%	0	0.0%	0	0.0%	0	0.0%
60836	American Republic Insurance Company	0	0.0%	0	0.0%	1	50.0%	0	0.0%
61301	Ameritas Life Insurance Corp.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
96202	CareFirst BlueChoice, Inc.	308	26.6%	89	7.7%	159	13.8%	24	2.1%
47058	CareFirst of Maryland, Inc.	159	23.2%	89	13.0%	51	7.4%	15	2.2%
95599	CIGNA Healthcare Mid-Atlantic, Inc.	33	35.5%	12	12.9%	1	1.1%	2	2.2%
77828	Companion Life Insurance Co.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
62308	Connecticut General Life Insurance	68	31.1%	24	11.0%	14	6.4%	5	2.3%
78174	Conseco Health Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
62413	Continental Assurance Co.	7	77.8%	1	11.1%	0	0.0%	0	0.0%
96460	Coventry Health Care of Delaware, Inc.	18	16.5%	3	2.8%	40	36.7%	7	6.4%
43010	Fidelity Ins. Co. of MD	0	0.0%	0	0.0%	0	0.0%	0	0.0%
53007	Group Hosp & MedServ, Inc.	89	24.1%	40	10.8%	100	27.1%	8	2.2%
64246	Guardian Life Ins. Co. Of America	8	4.1%	3	1.5%	1	0.5%	8	4.1%
70254	Jefferson Pilot Financial Ins. Co.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
95639	Kaiser Fndtn Health Plan-Mid-Atl	82	64.1%	8	6.3%	0	0.0%	11	8.6%
60321	MAMSI Life & Health Ins. Co.	21	5.2%	3	0.7%	1	0.2%	8	2.0%
96310	MD-Individual Practive Assoc.	11	5.0%	10	4.6%	0	0.0%	2	0.9%
97055	Mega Life & Health Ins. Co.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
96940	Optimum Choice, Inc.	35	2.8%	64	5.0%	1	0.1%	22	1.7%
68241	Prudential Insurance Company of America	0	0.0%	0	0.0%	0	0.0%	0	0.0%
69019	Standard Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
69477	Time Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
61425	Trustmark Insurance Co.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
62863	Trustmark Life Insurance Company	6	66.7%	0	0.0%	0	0.0%	0	0.0%
80314	UNICARE Life & Health Ins. Co.	9	19.1%	10	21.3%	6	12.8%	4	8.5%
69744	Union Labor Life Insurance Company	0	0.0%	0	0.0%	0	0.0%	2	25.0%
70408	Union Security Ins. Co.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
85766	United Concordia Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
62294	United Concordia Life & Health Ins. Co.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
79413	United HealthCare Ins. Co.	13	24.5%	6	11.3%	10	18.9%	2	3.8%
95025	United HealthCare of the Mid-Atl	2	14.3%	0	0.0%	2	14.3%	1	7.1%
69663	USAA Life Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	Total	889	16.9%	439	8.3%	413	7.9%	124	2.4%

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

APPEALS AND GRIEVANCES

CARRIER'S INTERNAL GRIEVANCE STATISTICS BY SERVICE - 2006 Appendix B3

NAIC #	COMPANY NAME	H. SKILLED NURS FAC, Sub Acute, Nurs Home		I. DURABLE MEDICAL EQUIPMENT Services		J. PODIATRY, DENTAL, OPTOMETRY, CHIRO		K. HOME HEALTH SERVICES	
		NUMBER	% TOTAL	NUMBER	% TOTAL	NUMBER	% TOTAL	NUMBER	% TOTAL
95590	Aetna Healthcare Inc.	3	2.4%	0	0.0%	1	0.8%	0	0.0%
60054	Aetna Life Insurance Company	1	5.3%	2	10.5%	0	0.0%	1	5.3%
97179	American Medical Security Life Ins. Co.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
71773	American National Life Ins. Co. of Texas	0	0.0%	0	0.0%	0	0.0%	0	0.0%
60836	American Republic Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
61301	Ameritas Life Insurance Corp.	0	0.0%	0	0.0%	1	100.0%	0	0.0%
96202	CareFirst BlueChoice, Inc.	5	0.4%	39	3.4%	30	2.6%	2	0.2%
47058	CareFirst of Maryland, Inc.	8	1.2%	54	7.9%	12	1.8%	3	0.4%
95599	CIGNA Healthcare Mid-Atlantic, Inc.	0	0.0%	6	6.5%	0	0.0%	0	0.0%
77828	Companion Life Insurance Co.	0	0.0%	0	0.0%	1	100.0%	0	0.0%
62308	Connecticut General Life Insurance	1	0.5%	13	5.9%	53	24.2%	0	0.0%
78174	Conseco Health Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
62413	Continental Assurance Co.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
96460	Coventry Health Care of Delaware, Inc.	0	0.0%	10	9.2%	0	0.0%	1	0.9%
43010	Fidelity Ins. Co. of MD	0	0.0%	0	0.0%	0	0.0%	0	0.0%
53007	Group Hosp & MedServ, Inc.	4	1.1%	13	3.5%	17	4.6%	0	0.0%
64246	Guardian Life Ins. Co. Of America	0	0.0%	2	1.0%	163	83.2%	0	0.0%
70254	Jefferson Pilot Financial Ins. Co.	0	0.0%	0	0.0%	3	100.0%	0	0.0%
95639	Kaiser Fndtn Health Plan-Mid-Atl	3	2.3%	5	3.9%	2	1.6%	1	0.8%
60321	MAMSI Life & Health Ins. Co.	7	1.7%	13	3.2%	10	2.5%	0	0.0%
96310	MD-Individual Practive Assoc.	2	0.9%	3	1.4%	9	4.1%	0	0.0%
97055	Mega Life & Health Ins. Co.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
96940	Optimum Choice, Inc.	14	1.1%	23	1.8%	6	0.5%	0	0.0%
68241	Prudential Insurance Company of America	0	0.0%	0	0.0%	0	0.0%	0	0.0%
69019	Standard Insurance Company	0	0.0%	0	0.0%	4	100.0%	0	0.0%
69477	Time Insurance Company	1	50.0%	0	0.0%	1	50.0%	0	0.0%
61425	Trustmark Insurance Co.	0	0.0%	0	0.0%	2	100.0%	0	0.0%
62863	Trustmark Life Insurance Company	0	0.0%	0	0.0%	3	33.3%	0	0.0%
80314	UNICARE Life & Health Ins. Co.	0	0.0%	6	12.8%	3	6.4%	2	4.3%
69744	Union Labor Life Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
70408	Union Security Ins. Co.	0	0.0%	0	0.0%	15	100.0%	0	0.0%
85766	United Concordia Insurance Company	0	0.0%	0	0.0%	3	100.0%	0	0.0%
62294	United Concordia Life & Health Ins. Co.	0	0.0%	0	0.0%	67	100.0%	0	0.0%
79413	United HealthCare Ins. Co.	0	0.0%	3	5.7%	3	5.7%	0	0.0%
95025	United HealthCare of the Mid-Atl	0	0.0%	1	7.1%	0	0.0%	0	0.0%
69663	USAA Life Insurance Company	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	Total	49	0.9%	193	3.7%	409	7.8%	10	0.2%

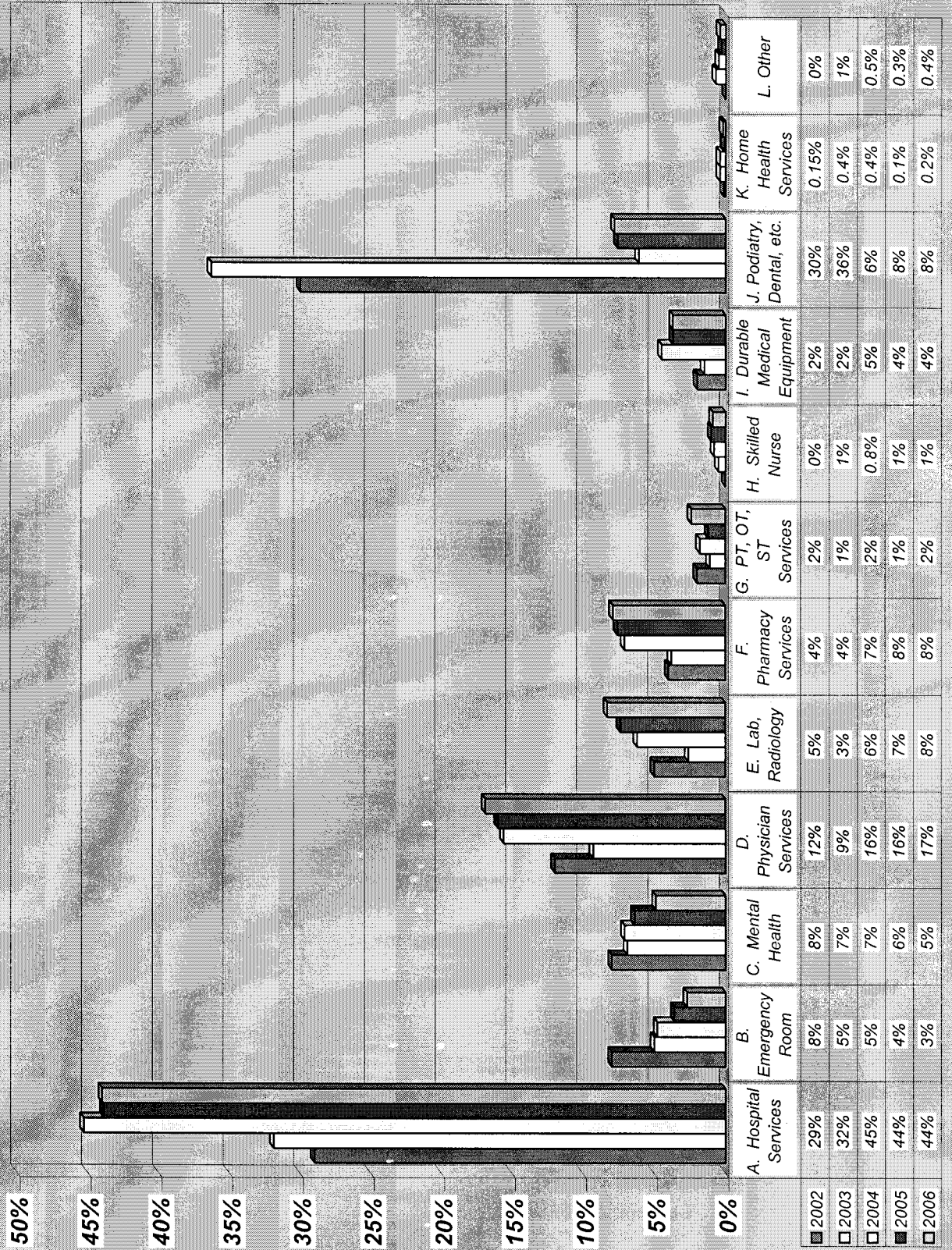
*L=Outpatient Hospital Services, Education Services, and Transportation

**APPEALS AND GRIEVANCES
CARRIER'S INTERNAL GRIEVANCE STATISTICS BY SERVICE - 2006 Appendix B3**

NAIC #	COMPANY NAME	*L. OTHER	
		NUMBER	% TOTAL
95590	Aetna Healthcare Inc.	0	0.0%
60054	Aetna Life Insurance Company	0	0.0%
97179	American Medical Security Life Ins. Co.	0	0.0%
71773	American National Life Ins. Co. of Texas	0	0.0%
60836	American Republic Insurance Company	1	50.0%
61301	Ameritas Life Insurance Corp.	0	0.0%
96202	CareFirst BlueChoice, Inc.	1	0.1%
47058	CareFirst of Maryland, Inc.	2	0.3%
95599	CIGNA Healthcare Mid-Atlantic, Inc.	0	0.0%
77828	Companion Life Insurance Co.	0	0.0%
62308	Connecticut General Life Insurance	0	0.0%
78174	Conseco Health Insurance Company	0	0.0%
62413	Continental Assurance Co.	0	0.0%
96460	Coventry Health Care of Delaware, Inc.	0	0.0%
43010	Fidelity Ins. Co. of MD	0	0.0%
53007	Group Hosp & MedServ, Inc.	2	0.5%
64246	Guardian Life Ins. Co. Of America	0	0.0%
70254	Jefferson Pilot Financial Ins. Co.	0	0.0%
95639	Kaiser Fndtn Health Plan-Mid-Atl	0	0.0%
60321	MAMSI Life & Health Ins. Co.	0	0.0%
96310	MD-Individual Practive Assoc.	0	0.0%
97055	Mega Life & Health Ins. Co.	1	100.0%
96940	Optimum Choice, Inc.	0	0.0%
68241	Prudential Insurance Company of America	0	0.0%
69019	Standard Insurance Company	0	0.0%
69477	Time Insurance Company	0	0.0%
61425	Trustmark Insurance Co.	0	0.0%
62863	Trustmark Life Insurance Company	0	0.0%
80314	UNICARE Life & Health Ins. Co.	0	0.0%
69744	Union Labor Life Insurance Company	0	0.0%
70408	Union Security Ins. Co.	0	0.0%
85766	United Concordia Insurance Company	0	0.0%
62294	United Concordia Life & Health Ins. Co.	0	0.0%
79413	United HealthCare Ins. Co.	9	17.0%
95025	United HealthCare of the Mid-Atl	5	35.7%
69663	USAA Life Insurance Company	1	100.0%
	Total	22	0.4%

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

**GRIEVANCES REPORTED BY CARRIERS TYPE OF SERVICES AS A PERCENTAGE OF
TOTAL GRIEVANCES FOR THE PAST FIVE YEARS
APPENDIX B4**

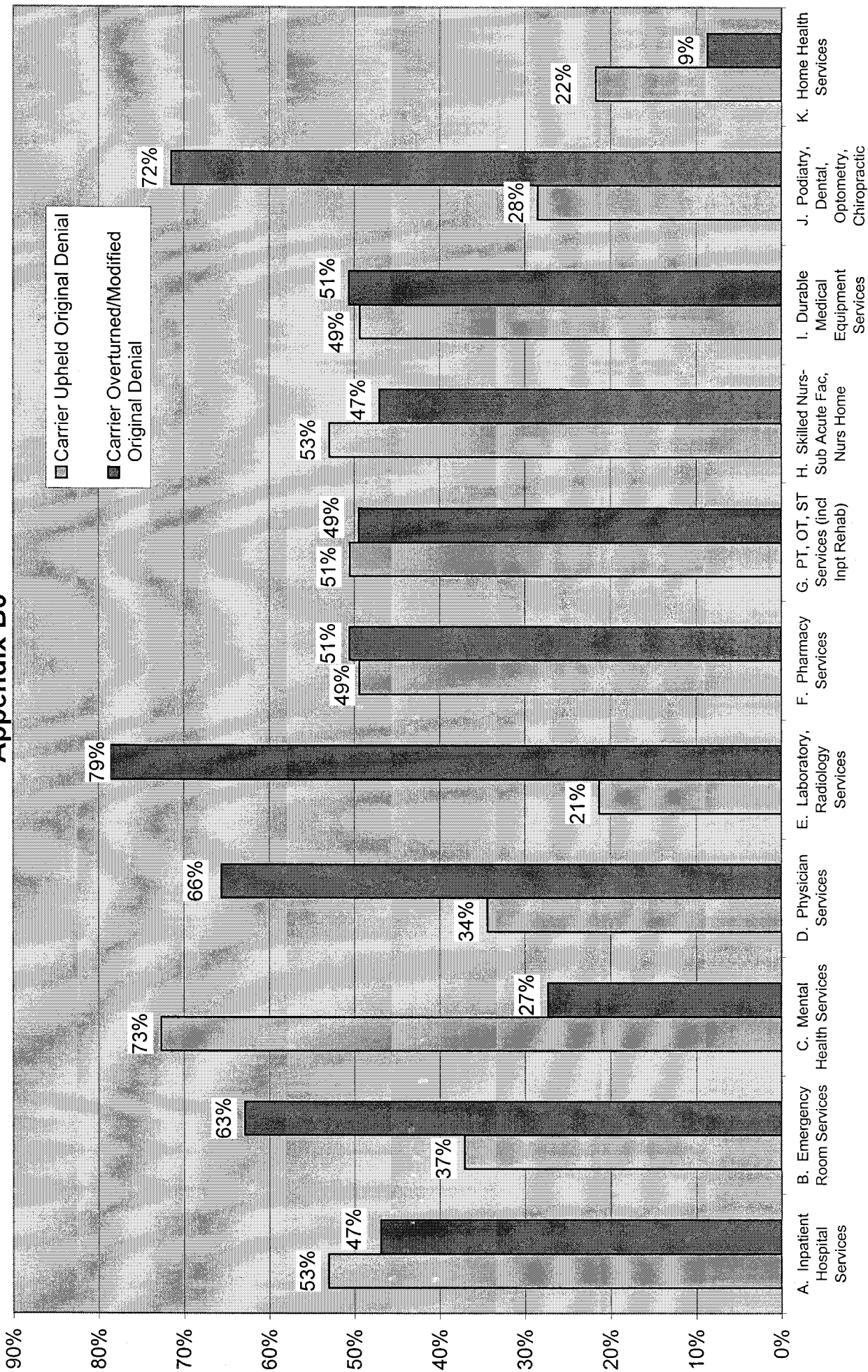


**APPEALS AND GRIEVANCES
CARRIER'S DISPOSITION OF INTERNAL GRIEVANCES - 2006
Appendix B5**

NAIC #	COMPANY NAME	GRIEVANCES FILED		ORIGINAL DECISION OF INSURANCE COMPANY WAS...		OVERTURNED		MODIFIED	
		COMPANY TOTAL	% OF ALL COMPANIES	UPHELD	% TOTAL	NUMBER	% TOTAL	NUMBER	% TOTAL
95590	Aetna Health Inc.	123	2.3%	46	37.4%	74	60.2%	3	2.4%
60054	Aetna Life Ins. Co.	19	0.4%	15	78.9%	4	21.1%	0	0.0%
97179	American Medical Security Life Ins. Co.	1	0.0%	0	0.0%	1	100.0%	0	0.0%
71773	American National Life Ins. Co. of Texas	1	0.0%	1	100.0%	0	0.0%	0	0.0%
60836	American Republic Insurance Company	2	0.0%	1	50.0%	1	50.0%	0	0.0%
61301	Ameritas Life Insurance Corp.	1	0.0%	1	100.0%	0	0.0%	0	0.0%
96202	CareFirst BlueChoice, Inc.	1156	22.0%	469	40.6%	618	53.5%	69	6.0%
47058	CareFirst of Maryland, Inc.	685	13.0%	318	46.4%	346	50.5%	21	3.1%
95599	CIGNA Healthcare Mid-Atlantic, Inc.	93	1.8%	47	50.5%	42	45.2%	4	4.3%
77828	Companion Life Insurance Co.	1	0.0%	0	0.0%	0	0.0%	1	100.0%
62308	Connecticut General Life Insurance	219	4.2%	125	57.1%	91	41.6%	3	1.4%
78174	Conseco Health Insurance Company	2	0.0%	2	100.0%	0	0.0%	0	0.0%
62413	Continental Assurance Co.	9	0.2%	5	55.6%	4	44.4%	0	0.0%
96460	Coventry Health Care of Delaware Inc.	109	2.1%	93	85.3%	16	14.7%	0	0.0%
43010	Fidelity Ins. Co. of MD	17	0.3%	6	35.3%	11	64.7%	0	0.0%
53007	Group Hosp & MedServ, Inc.	369	7.0%	144	39.0%	215	58.3%	10	2.7%
64246	Guardian Life Ins. Co. Of America	196	3.7%	91	46.4%	96	49.0%	9	4.6%
70254	Jefferson Pilot Financial Insurance Company	3	0.1%	3	100.0%	0	0.0%	0	0.0%
95639	Kaiser Fndtn Health Plan-Mid-Atl	128	2.4%	62	48.4%	66	51.6%	0	0.0%
60321	MAMSI Life & Health Ins. Co.	406	7.7%	260	64.0%	103	25.4%	43	10.6%
96310	MD-Individual Practive Assoc.	219	4.2%	133	60.7%	65	29.7%	21	9.6%
97055	Mega Life & Health Ins. Co.	1	0.0%	1	100.0%	0	0.0%	0	0.0%
96940	Optimum Choice, Inc.	1272	24.2%	829	65.2%	326	25.6%	117	9.2%
68241	Prudential Insurance Company of America	2	0.0%	0	0.0%	2	100.0%	0	0.0%
69019	Standard Insurance Company	4	0.1%	3	75.0%	1	25.0%	0	0.0%
69477	Time Insurance Company	2	0.0%	1	50.0%	1	50.0%	0	0.0%
61425	Trustmark Insurance Company	2	0.0%	1	50.0%	1	50.0%	0	0.0%
62863	Trustmark Life Insurance Company	9	0.2%	3	33.3%	6	66.7%	0	0.0%
80314	UNICARE Life & Health Ins. Co.	47	0.9%	25	53.2%	20	42.6%	2	4.3%
69744	Union Labor Life Insurance Company	8	0.2%	3	37.5%	4	50.0%	1	12.5%
70408	Union Security Insurance Company	15	0.3%	15	100.0%	0	0.0%	0	0.0%
85766	United Condordia Insurance Company	3	0.1%	0	0.0%	3	100.0%	0	0.0%
62294	United Condordia Life & Health Ins Co	67	1.3%	21	31.3%	33	49.3%	13	19.4%
79413	United HealthCare Ins. Co.	53	1.0%	36	67.9%	16	30.2%	1	1.9%
95025	United Healthcare of the Mid-Atl	14	0.3%	12	85.7%	2	14.3%	0	0.0%
69663	USAA Life Insurance Company	1	0.0%	1	100.0%	0	0.0%	0	0.0%
	Total	5259		2773	52.7%	2168	41.2%	318	6.0%

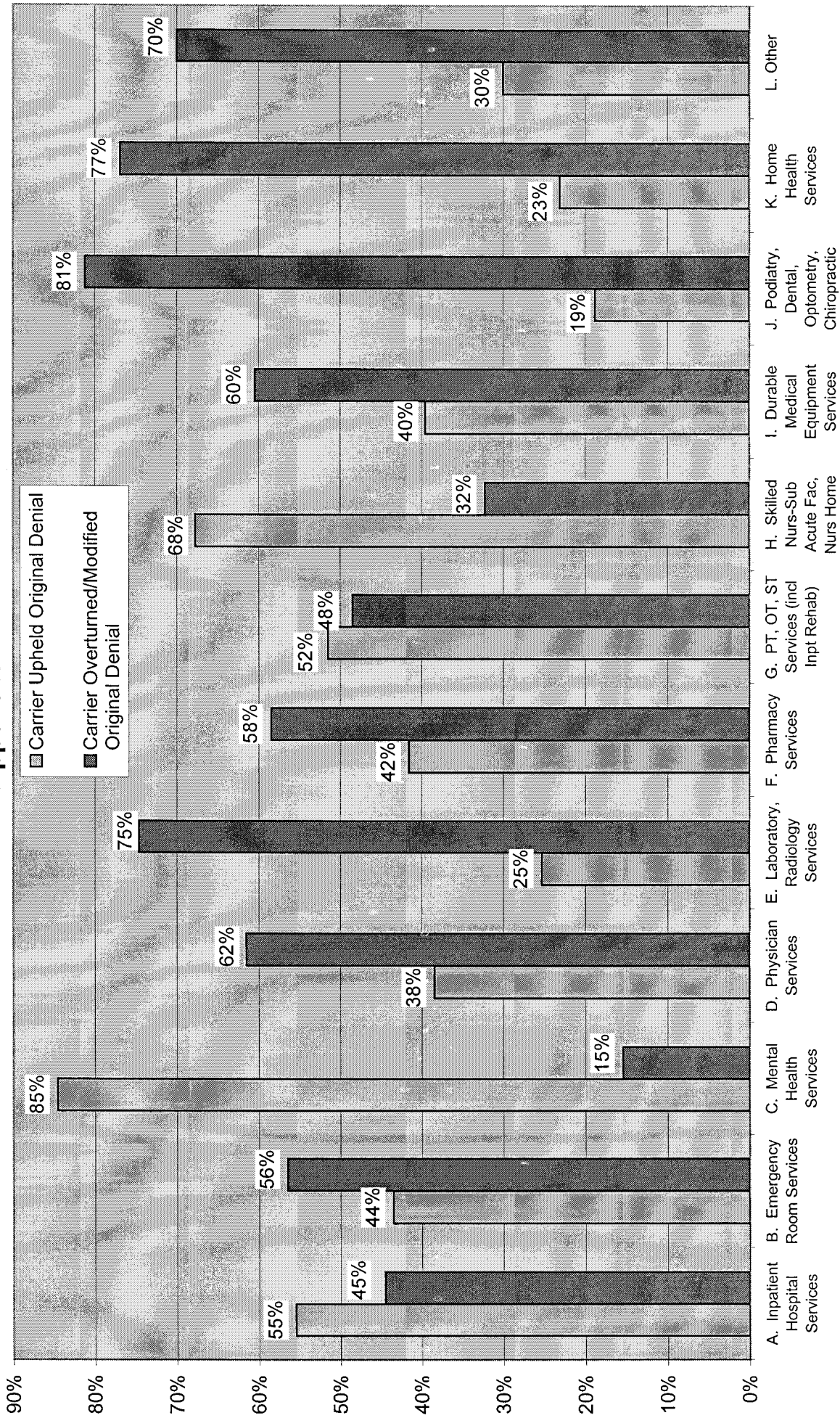
INTERNAL GRIEVANCES - CARRIER DISPOSITION REPORTED BY SERVICE - 2002

Appendix B6



INTERNAL GRIEVANCES - CARRIER DISPOSITION REPORTED BY SERVICE - 2003

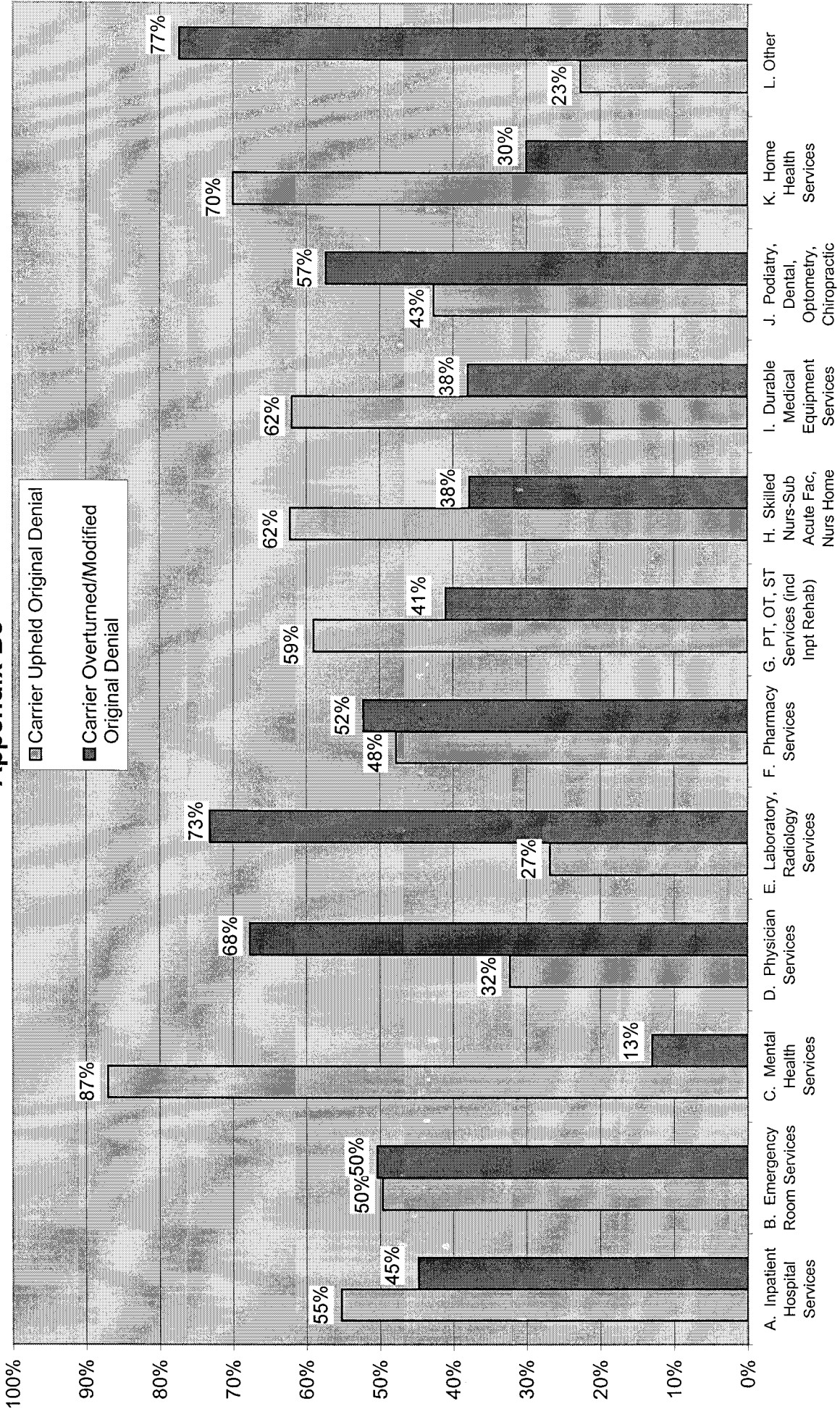
Appendix B7



*L. Outpatient Hospital Services, Education Services, and Transportation

INTERNAL GRIEVANCES - CARRIER DISPOSITION REPORTED BY SERVICE - 2004

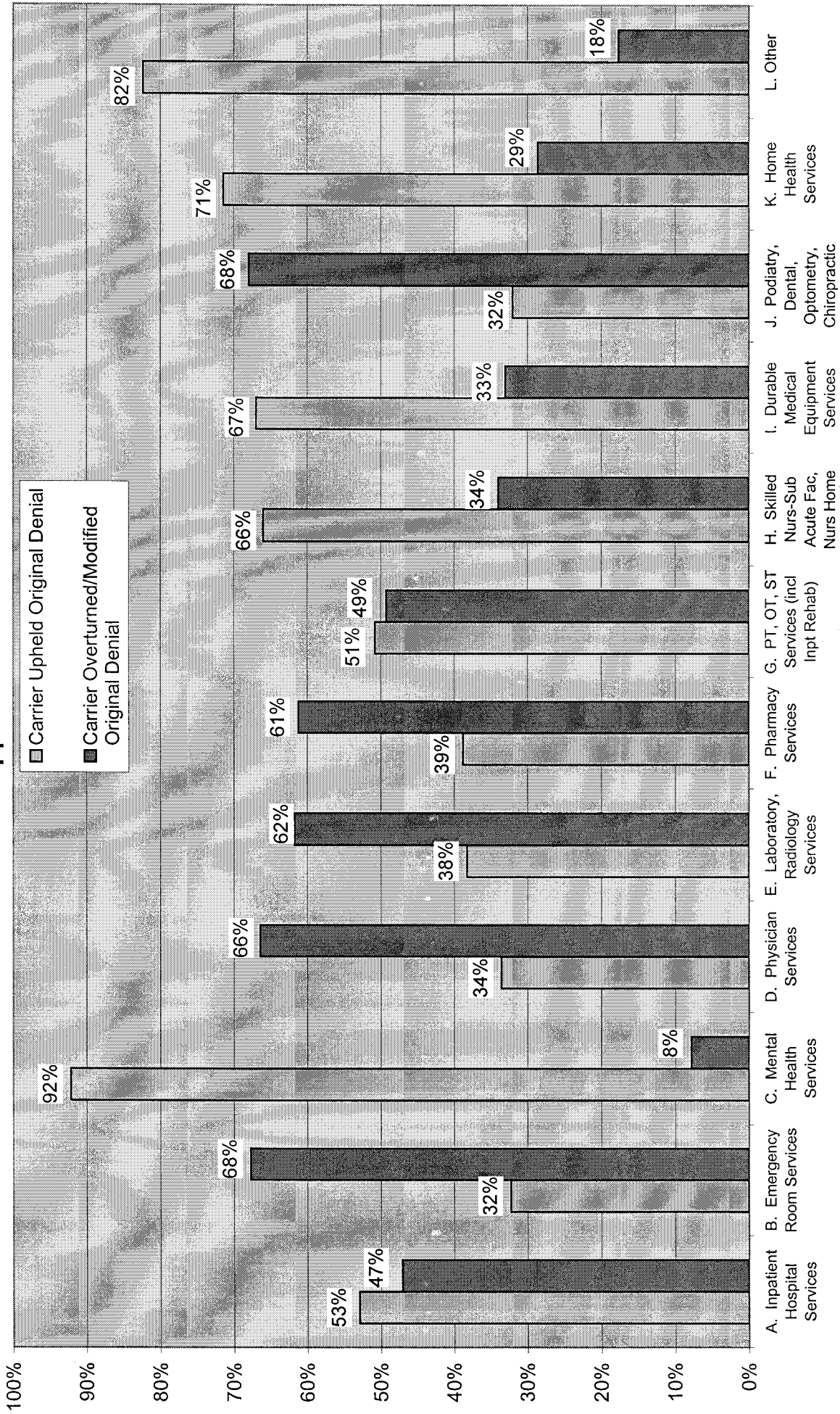
Appendix B8



*L. Outpatient Hospital Services, Education Services, and Transportation

INTERNAL GRIEVANCES - CARRIER DISPOSITION REPORTED BY SERVICE - 2005

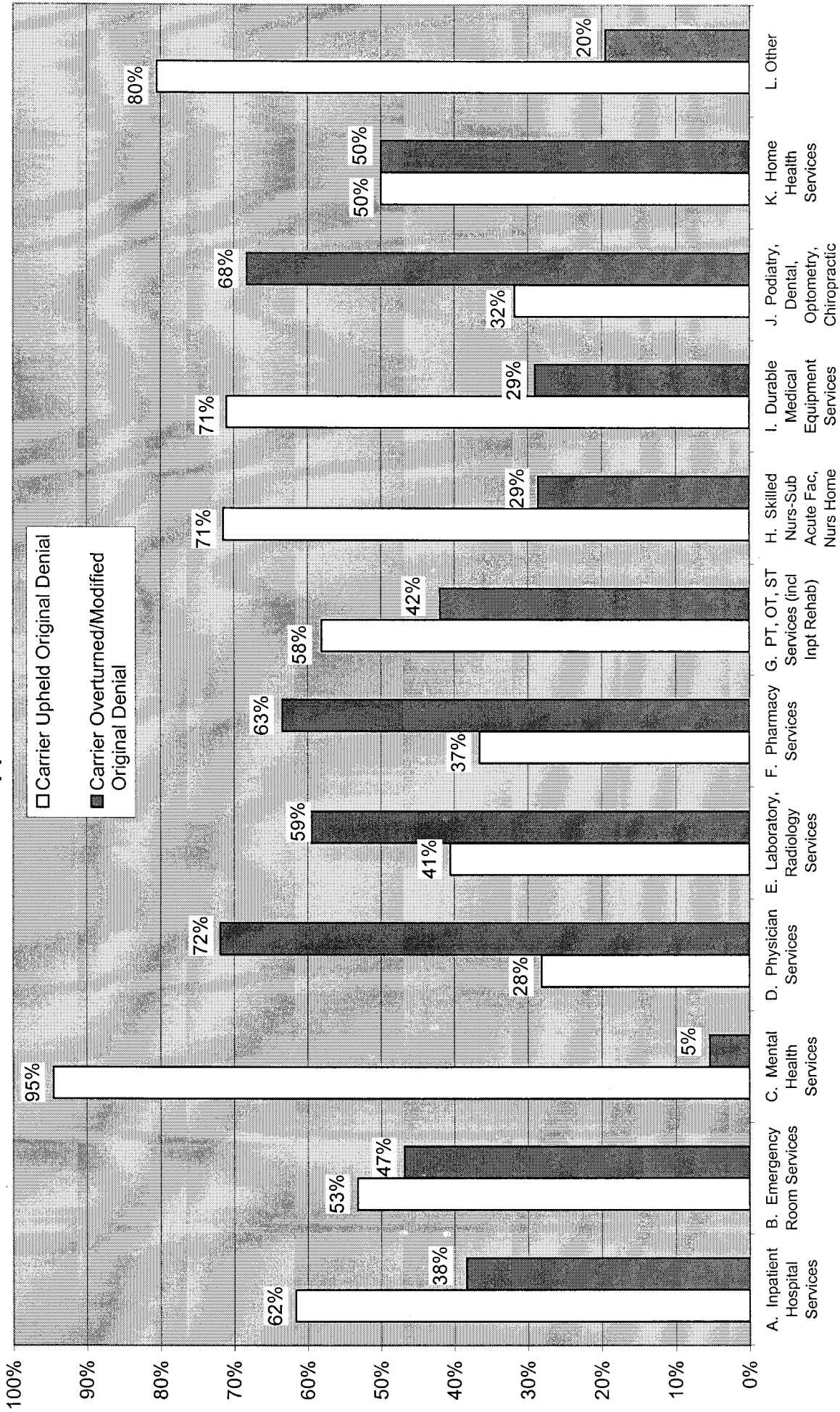
Appendix B9



*L. Outpatient Hospital Services, Education Services, and Transportation

INTERNAL GRIEVANCES - CARRIER DISPOSITION REPORTED BY SERVICE - 2006

Appendix B10



*L. Outpatient Hospital Services, Education Services, and Transportation

APPEALS AND GRIEVANCES

CARRIER'S INTERNAL ADVERSE DECISIONS STATISTICS BY SERVICE - 2006 DENTAL ONLY

APPENDIX B11

NAIC #	COMPANY NAME	ADVERSE DECISIONS	
		COMPANY TOTAL	% OF ALL COMPANIES
95910	Aetna Dental, Inc.	480	4.9%
48119	CIGNA Dental Health of MD, Inc.	386	4.0%
47040	Dental Benefit Providers of MD, Inc.	1400	14.4%
95846	Group Dental Service of Maryland, Inc.	7444	76.6%
70580	HumanaDental Insurance Company	1	0.0%
95253	United Concordia Dental Plans, Inc.	3	0.0%
	Total	9714	

APPEALS AND GRIEVANCES

CARRIER'S INTERNAL GRIEVANCE STATISTICS BY SERVICE - 2006 DENTAL ONLY

APPENDIX B12

NAIC #	COMPANY NAME	GRIEVANCES FILED	
		COMPANY TOTAL	% OF ALL COMPANIES
95910	Aetna Dental, Inc.	0	0.0%
48119	CIGNA Dental Health of MD, Inc.	3	0.6%
47040	Dental Benefit Providers of MD, Inc.	427	88.0%
95846	Group Dental Service of MD, Inc.	45	9.3%
70580	HumanaDental Insurance Company	7	1.4%
95253	United Concordia Dental Plans, Inc	3	0.6%
	Total	485	

**APPEALS AND GRIEVANCES
CARRIER'S DISPOSITION OF INTERNAL GRIEVANCES - 2006 DENTAL ONLY
APPENDIX B13**

NAIC #	COMPANY NAME	GRIEVANCES FILED		ORIGINAL DECISION OF INSURANCE COMPANY WAS...					
		COMPANY TOTAL	% OF ALL COMPANIES	UPHELD NUMBER	% TOTAL	OVERTURNED NUMBER	% TOTAL	MODIFIED NUMBER	% TOTAL
48119	CIGNA Dental Health of MD, Inc.	3	0.6%	2	66.7%	1	33.3%	0	0.0%
47040	Dental Benefit Providers of MD, Inc.	427	88.0%	79	18.5%	293	68.6%	55	12.9%
95846	Group Dental Service of Maryland, Inc.	45	9.3%	25	55.6%	20	44.4%	0	0.0%
70580	HumanaDental Insurance Company	7	1.4%	4	57.1%	3	42.9%	0	0.0%
95253	United Concordia Dental Plans, Inc.	3	0.6%	0	0.0%	3	100.0%	0	0.0%
	Total	485		110	22.7%	320	66.0%	55	11.3%

APPEALS AND GRIEVANCES
INTERNAL GRIEVANCES FILED CONSIDERED EMERGENCY CASES AS REPORTED BY CARRIER - 2006
Appendix B15

NAIC #	COMPANY* NAME	**TOTAL NUMBER OF "EMERGENCIES" CASES		"EMERGENCIES" OUTCOME**		UPHELD		OVERTURNED		MODIFIED	
				Number	Percent	Number	Percent	Number	Percent	Number	Percent
96202	CareFirst BlueChoice, Inc.	343		84	97.6%	2	2.4%	0	0.0%	0	0.0%
47058	CareFirst of Maryland, Inc.	92		63	90.5%	5	7.9%	1	1.6%	1	1.6%
62308	Connecticut General Life Insurance	4		1	100.0%	0	0.0%	0	0.0%	0	0.0%
96460	Coventry Health Care of Delaware, Inc.	18		16	87.5%	1	6.3%	0	0.0%	0	0.0%
53007	Group Hosp & MedServ, Inc.	58		35	91.4%	3	8.6%	0	0.0%	0	0.0%
95639	Kaiser Fndtn Health Plan-Mid-Atl	10		11	72.7%	2	18.2%	0	0.0%	0	0.0%
80314	Unicare Life & Health Insurance Co.	1		1	100.0%	0	0.0%	0	0.0%	0	0.0%
79414	United HealthCare Insurance Company	5		5	80.0%	0	0.0%	1	20.0%	1	20.0%
95025	United HealthCare of the Mid Atlantic	3		3	100.0%	0	0.0%	0	0.0%	0	0.0%
	Total	534		219	92.24%	13	5.94%	2	0.91%	2	0.91%

*This chart only includes carriers who had grievances which were considered emergency cases during calendar year 2006.

** Outcome of the five most common emergency procedures, services and items.

APPEALS AND GRIEVANCES
EMERGENCY CASES - RESOLUTION TIME* - 2006 Appendix B16

NAIC #	COMPANY** NAME	EMERGENCY CASES - RESOLUTION TIME*			
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
96202	CareFirst BlueChoice, Inc.	24	18.5	23.4	24
47058	Carefirst of Maryland, Inc.	23.3	21.8	24	24
62308	Connecticut General Life Insurance	0	58.5	0	0
96460	Coventry Health Care of Delaware, Inc.	24	0	0	21
95846	Group Dental Service of MD Inc.	1	1	1	1
53007	Group Hosp & MedServ, Inc.	24	22.5	23.7	24
95639	Kaiser Fndtn Health Plan-Mid-Atl	11	3	9	17.3
69477	Time Insurance Company	0	24	0	0
80314	UNICARE Life & Health Insurance Co.	0	36	0	24
79413	United HealthCare Insurance Company	24	24	24	3
95025	UnitedHealthcare of the Mid-Atlantic, Inc.	24	24	24	0

**This report only includes carriers who had grievances which were considered emergency cases during calendar year 2006

*Reported as hours

**APPEALS AND GRIEVANCES
NON - EMERGENCY CASES - RESOLUTION TIME* - 2006
Appendix B17**

NAIC #	COMPANY NAME	NON-EMERGENCY CASES - RESOLUTION TIME*			
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
95590	Aetna Health Inc.	12	8	16	11
60054	Aetna Life Ins. Co.	19	23	18	0
97179	American Medical Security Life Ins. Co.	0	0	30	0
71773	American National Life Ins. Co. of Texas	0	0	14	0
60836	American Republic Insurance Company	17	0	56	0
61301	Ameritas Life Ins. Co.	0	4	4	13
96202	CareFirst BlueChoice, Inc.	24.2	24.2	15.7	26.8
47058	CareFirst of Maryland, Inc.	24.7	25.3	26	28.1
48119	CIGNA Dental Health of MD, Inc.	15	20	0	0
95599	CIGNA Healthcare Mid-Atlantic, Inc.	31	29.3	25.9	26.7
77828	Companion Life Insurance Co.	31	32	0	0
62308	Connecticut General Life Insurance	26	29.3	28.5	26
96460	Coventry Health Care of Delaware, Inc.	51.4	23	14.1	20
47040	Dental Benefit Providers of MD, Inc.	20	0	20	20
43010	Fidelity Ins. Co. of MD	21	18	0	0
95846	Group Dental Service of Maryland, Inc.	1.6	1.6	3.4	3.8
53007	Group Hosp & MedServ, Inc.	23.9	20.2	25.6	30.6
64246	Guardian Life Ins. Co. Of America	32.2	10	3.1	11.5
70580	HumanaDental Ins. Co.	8	0	13	18
70254	Jefferson Pilot Financial Ins. Co.	12	0	0	6.5
95639	Kaiser Fndtn Health Plan-Mid-Atl	31	35	30.9	42.9
60321	MAMSI Life & Health Ins. Co.	24.2	24.7	25.1	30
96310	MD-Individual Practive Assoc.	22.4	25.1	25	26
97055	Mega Life & Health Ins. Co.	0	7	0	0
66869	Nationwide Life Ins. Co.	0	3	0	1.2
96940	Optimum Choice, Inc.	22.9	24.2	24.5	27.1
68241	Prudential Insurance Company of America	5	0	0	5
69477	Time Insurance Company	0	0	14	28
61425	Trustmark Insurance Co.	25	0	0	0
62863	Trustmark Life Insurance Co.	66	0	0	0
80314	UNICARE Life & Health Ins. Co.	29	19	19	26
69744	Union Labor Life Ins. Co.	10	10	18	17
70408	Union Security Ins. Co.	29	24	15.4	19
95253	United Concordia Dental Plans, Inc.	0	14	0	0
85766	United Concordia Ins. Co.	0	14	0	0
62294	United Concordia Life and Health Ins. Co.	19	19	12	9.8
79413	United HealthCare Ins. Co.	18.2	16.3	28.2	23.6
95025	United Healthcare of the Mid-Atlantic, Inc.	11.5	1	10	23
69663	USAA Life Ins. Co.	0	0	0	2

*Reported as Calendar Days

**Appeal and Grievance Statistics
Totals for Complaints Filed
January 1, 2006 - December 31, 2006**

Appendice C1

COMPLAINTS FILED

1005

NO JURISDICTION

279

Referred to DOL (<i>ERISA</i>)	145
Referred to OPM (<i>FEHBP</i>)	54
Referred to Medicaid	6
Referred to Medicare	5
Referred to Insurance Department in Another State	67
Referred to Other*	2

*Includes complaints referred to Workers
Compensation Commission and Other State agencies

COMPLAINT WITHDRAWN

9

INSUFFICIENT INFORMATION

51

No Action Required

77

Includes cases transferred to Life & Health,
Duplicate file, Advised Complainant

**Referred to HEAU to
Exhaust Internal Remedy**

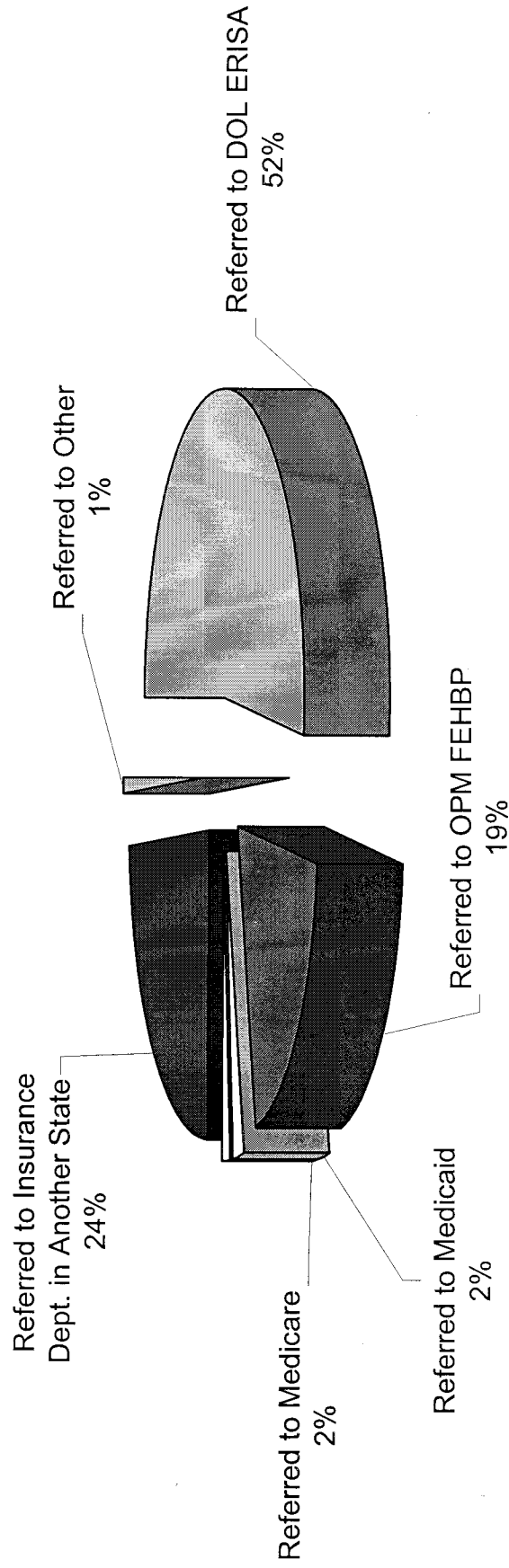
203

MIA Conducted Investigation:

386

Carrier Reversed Itself During Investigation	182
Carrier Upheld by MIA	195
Carrier Reversed by MIA	9

Appeals & Grievance No Jurisdiction January 2006 - December 2006 Appendix C2



**APPEALS & GRIEVANCE
DISPOSITION OF CASES
FORWARDED TO DHMH
BY THE APPEALS & GRIEVANCE UNIT
JANUARY - DECEMBER 2006
Appendix C3**

Description	Complaints Forwarded	
	Number	Percent
Total Cases Forwarded to DHMH by the Appeals & Grievance Unit*	5	100%
Categories of Complaints Referred to DHMH:		
- Mixed jurisdiction - DHMH & MIA investigations	4	80%
- Complaint solely within DHMH jurisdiction	1	20%
- DHMH determined that it has no jurisdiction	0	0%

* This number does not include cases which are forwarded to DHMH by the Life & Health Section of the Insurance Administration.

**SUMMARY OF APPEALS AND GRIEVANCE
COMPLAINTS INVESTIGATED BY MIA**

LISTED BY CARRIER

JANUARY - DECEMBER 2006

Appendix C4

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.	8	2%	3	38%	0	0%	0	0%	5	63%
Aetna Life Insurance Company	4	1%	3	75%	0	0%	0	0%	1	25%
American Republic Insurance Co.	1	0%	1	100%	0	0%	0	0%	0	0%
Assurant Health	1	0%	0	0%	0	0%	0	0%	1	100%
Carefirst BlueChoice, Inc.	46	12%	17	37%	1	2%	0	0%	28	61%
Carefirst of Maryland, Inc.	58	15%	29	50%	1	2%	0	0%	28	48%
CIGNA Dental Health, Inc.	1	0%	0	0%	0	0%	0	0%	1	100%
CIGNA HealthCare Mid-Atlantic, Inc.	9	2%	5	56%	0	0%	0	0%	4	44%
Connecticut General Life Insurance Co.	1	0%	1	100%	0	0%	0	0%	0	0%
Coventry Health Care of DE, Inc.	21	5%	9	43%	1	5%	0	0%	11	52%
Graphic Arts Benefit Corporation	3	1%	1	33%	0	0%	0	0%	2	67%
Group Hosp. & Med Services	21	5%	8	38%	2	10%	0	0%	11	52%
Guardian Life Ins. Co. of America	12	3%	5	42%	0	0%	0	0%	7	58%
Kaiser Foundation	12	3%	6	50%	0	0%	0	0%	6	50%
Kaiser Permanente Insurance Co.	1	0%	1	100%	0	0%	0	0%	0	0%
MAMSI Life and Health Ins. Co.	33	9%	23	70%	2	6%	0	0%	8	24%
Maryland Health Insurance Plan	20	5%	2	10%	0	0%	0	0%	18	90%
MD-IPA	24	6%	14	58%	0	0%	0	0%	10	42%
Optimum Choice	88	23%	55	63%	2	2%	0	0%	31	35%
Standard Insurance Company	1	0%	1	100%	0	0%	0	0%	0	0%
Unicare Life and Health Ins. Co.	1	0%	0	0%	0	0%	0	0%	1	100%
United Concordia Companies, Inc.	2	1%	1	50%	0	0%	0	0%	1	50%
United Concordia Dental Plans	4	1%	2	50%	0	0%	0	0%	2	50%
United Healthcare Insurance Company	13	3%	8	62%	0	0%	0	0%	5	38%
United Healthcare of Mid-Atlantic	1	0%	0	0%	0	0%	0	0%	1	100%
TOTAL	386	100%	195	51%	9	2%	0	0%	182	47%

**SUMMARY OF APPEALS AND GRIEVANCE
COMPLAINTS INVESTIGATED BY MIA
LISTED BY SERVICE**

JANUARY - DECEMBER 2006

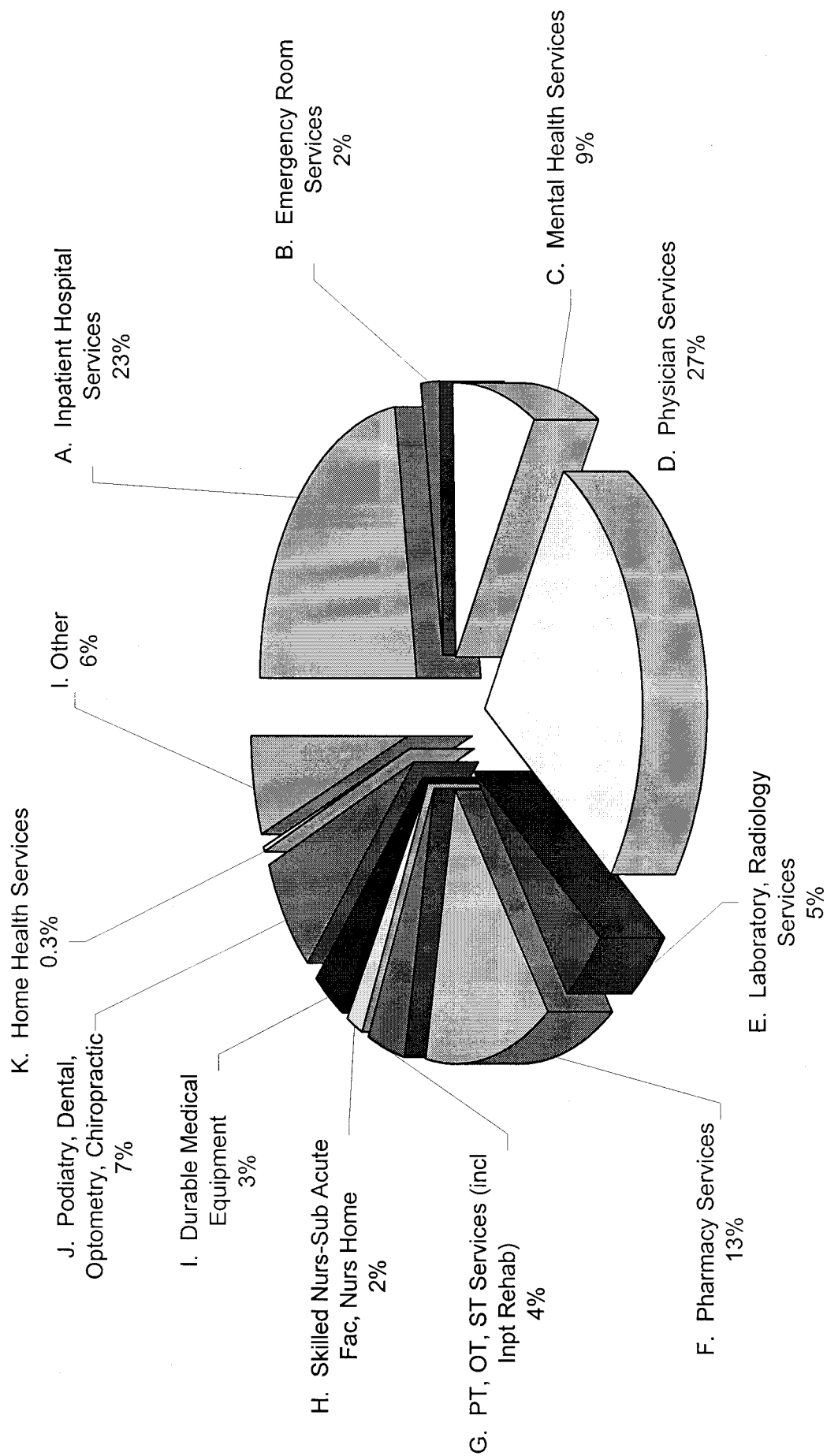
Appendix C5

Type of Procedure	Carrier Code**	Total	Carrier Upheld by MIA		Carrier Reversed by MIA		Carrier Modified by MIA		Carrier Reversed During Investigation	
			Number	Percent	Number	Percent	Number	Percent	Number	Percent
Acupuncture	D	1	1	100%	0	0%	0	0%	0	0%
Chiropractic Care Services	J	5	5	100%	0	0%	0	0%	0	0%
Cosmetic	D	12	8	67%	0	0%	0	0%	4	33%
Custodial Care Services	L	1	0	0%	0	0%	0	0%	1	100%
Denial of Claim	L	1	0	0%	0	0%	0	0%	1	100%
Denial of Hospital Days	A	88	46	52%	4	5%	0	0%	38	43%
Dental	J	22	13	59%	0	0%	0	0%	9	41%
Durable Medical Equipment	I	13	6	46%	0	0%	0	0%	7	54%
Emergency Room Denial	B	7	4	57%	0	0%	0	0%	3	43%
Experimental	D	36	24	67%	1	3%	0	0%	11	31%
Home Health Care	K	1	1	100%	0	0%	0	0%	0	0%
In-Patient Rehabilitation	G	2	0	0%	0	0%	0	0%	2	100%
Lab, Imaging, Testing	E	18	6	33%	0	0%	0	0%	12	67%
Mental Health Partial Hospitalization	C	3	2	67%	0	0%	0	0%	1	33%
Mental Health (Inpatient) Services	C	28	12	43%	1	4%	0	0%	15	54%
Mental Health (Outpatient) Services	C	2	1	50%	0	0%	0	0%	1	50%
Morbid Obesity	L	14	8	57%	0	0%	0	0%	6	43%
No Preauthorization	L	2	2	100%	0	0%	0	0%	0	0%
Out-of-Network Benefits	L	2	1	50%	0	0%	0	0%	1	50%
Pharmacy	F	51	10	20%	2	4%	0	0%	39	76%
Physician Services	D	55	33	60%	1	2%	0	0%	21	38%
PT, OT, Speech Therapy	G	14	6	43%	0	0%	0	0%	8	57%
Skilled Nursing	H	6	5	83%	0	0%	0	0%	1	17%
Transportation Services	L	2	1	50%	0	0%	0	0%	1	50%
TOTAL		386	195		9		0		182	

** 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.

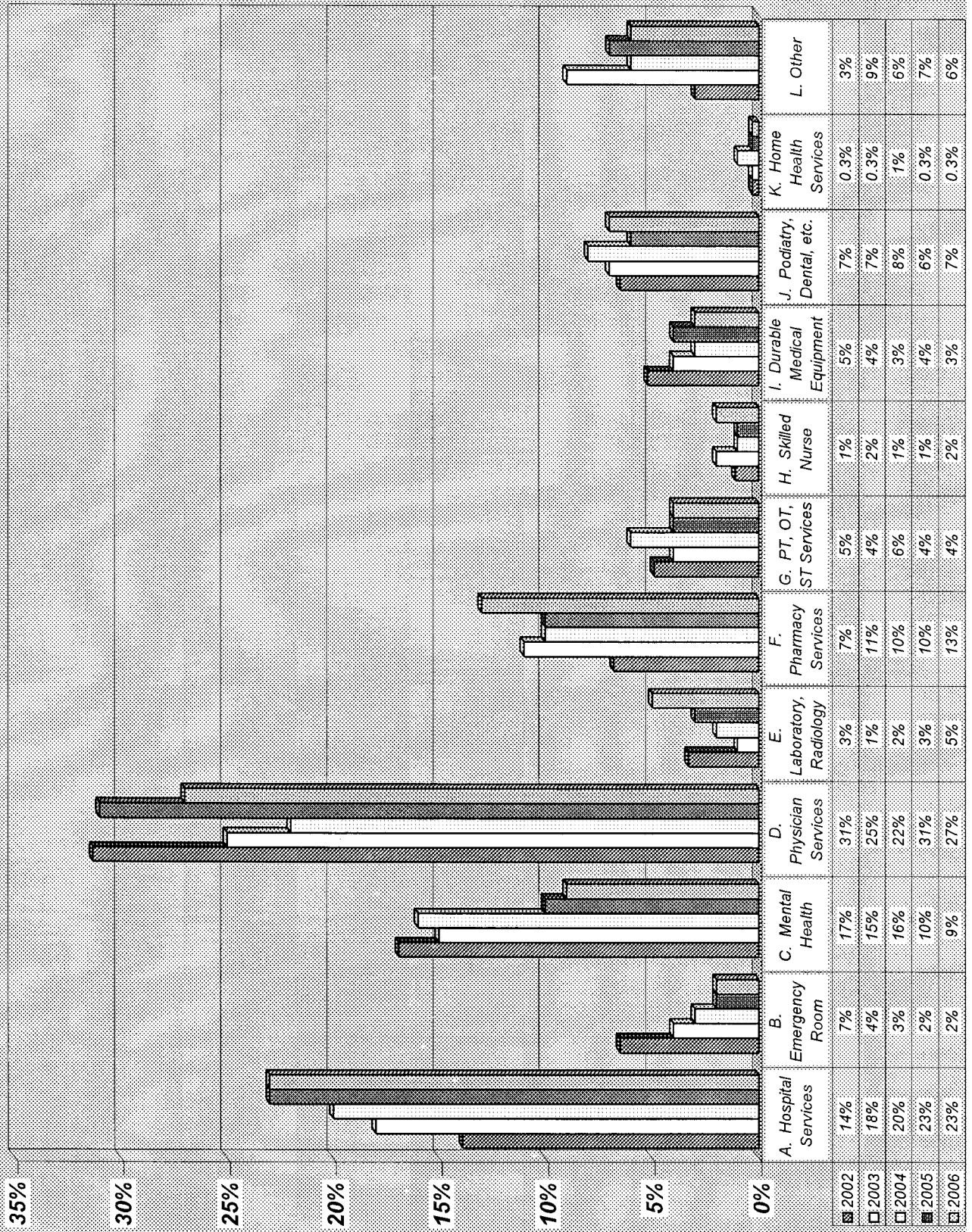
MIA COMPLAINTS INVESTIGATED BY SERVICE - 2006

Appendix C6



See attached description of what services are included in each procedure.

**COMPLAINTS INVESTIGATED BY MIA FOR THE PAST FIVE YEARS
BY SERVICE TYPE
APPENDIX C7**



See attached description of what services are included in each procedure.

Appendix D

Summaries for Appeals & Grievance Orders 2006

Optimum Choice, Inc.
Case No.: 2006-01-008
Effective Date: January 11, 2006

The Administration ordered that OCI immediately authorize payment for inpatient hospitalization from June 15, 2005 through June 22, 2005, pursuant to § 15-10A-04(c) of the Insurance Article and § 19-730 of the Health-General Article.

Optimum Choice, Inc.
Case No.: 2006-01-025
Effective Date: January 25, 2006

The Administration ordered that OCI immediately authorize payment for the inpatient hospitalization for dates of service July 15, 2005, July 16, 2005, July 20, 2005 and July 21, 2005, pursuant to § 15-10A-04(c) of the Insurance Article and § 19-729(a)(2)(11) of the Health-General Article.

Group Hospitalization and Medical Services, Inc.
Case No.: 2006-02-008
Effective Date: February 7, 2006

The Administration ordered that GHMSI immediately authorize payment for the Residential Treatment for dates of service July 12, 2005 through July 19, 2005, pursuant to § 15-10A-04(c) of the Insurance Article.

CareFirst BlueChoice, Inc.
Case No.: 2006-02-023
Effective Date: February 17, 2006
Penalty: \$2,500.00

The Administration ordered that BlueChoice immediately authorize coverage for Human Growth Hormone Therapy ("HGH"), pursuant to § 15-10A-04(c) of the Insurance Article and § 19-730 of the Health-General Article. The Administration further ordered that within (30) days of the date of the Order, BlueChoice pay an administrative penalty of \$2,500 for violation of §§ 15-10A-04(c)(3) and 15-10B-11 of the Insurance Article and § 19-729 of the Health-General Article, pursuant to §§ 27-303 and 27-305 of the Insurance Article and § 19-730 of the Health-General Article. Lastly, the Administration ordered that pursuant to § 15-10A-04(c)(2), within 30 days of the date of the Order, BlueChoice shall submit evidence that it has updated its Website regarding Medical Policy 5.01.09 Human Growth Hormone ("HGH") Therapy for Children and Adults to reflect that Human Growth Hormone Therapy is medically necessary for children with Idiopathic Short Stature who have growth hormone insensitivity.

MAMSI Life & Health Insurance Company
Consent Order: 2006-02-031
Effective Date: May 9, 2006

The Commissioner and MAMSI entered into a Consent Order in lieu of further proceedings. Under the Consent Order, MAMSI agreed to immediately authorize and issue payment for the acute inpatient hospital days of April 11, 2005 to April 14, 2005, pursuant to § 15-10A-04(c) of the Insurance Article.

CareFirst of Maryland, Inc.
Case No.: 2006-03-023
Effective Date: March 28, 2006

The Administration ordered that CareFirst immediately authorize coverage and payment for the medically necessary bilateral otoplasty procedure, pursuant to § 15-10A-04(c) of the Insurance Article.

MAMSI Life & Health Insurance Company
Case No.: 2006-03-025
Effective Date: March 30, 2006

The Administration ordered that MAMSI immediately authorize and issue payment for the acute inpatient hospital days of December 5, 2005 to December 6, 2005, pursuant to § 15-10A-04(c) of the Insurance Article.

Group Hospitalization and Medical Services, Inc.
Consent Order: 2006-05-002
Effective Date: August 2, 2006

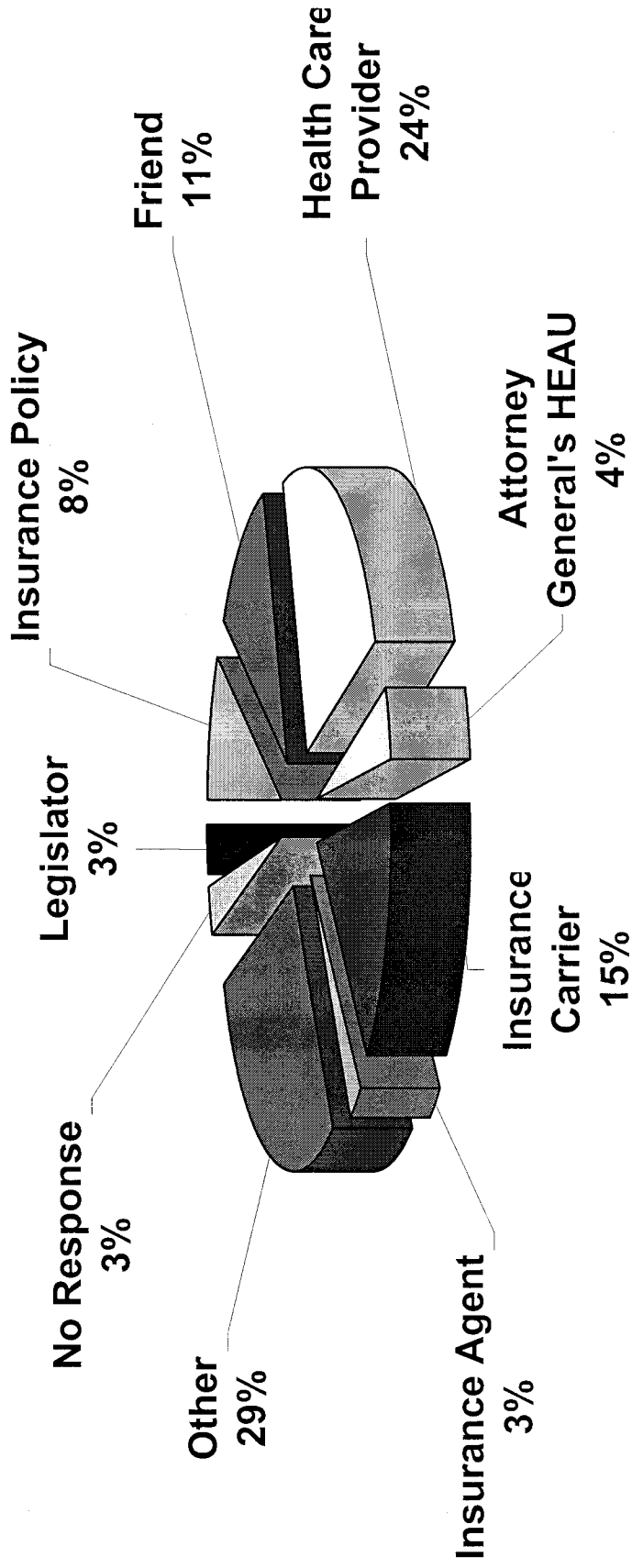
The Commissioner and GHMSI entered into a Consent Order in lieu of further proceedings. GHMSI agreed to authorize coverage and payment for the Vagus Nerve Stimulator, pursuant to § 15-10A-04(c) of the Insurance Article.

Coventry Health Care of Delaware, Inc.
Case No.: 2006-09-013
Effective Date: September 13, 2006

The Administration Ordered that Coventry immediately authorize payment for Provigil and reimburse the member for any expense incurred in connection with Provigil, pursuant to §§ 15-10A-04(c) and 15-804 of the Insurance Article and §§ 19-730(a)(1) and 19-706(I) of the Health-General Article. The Administration also Ordered that pursuant to § 15-10A-04(c)(2), within 30 days of the Order, Coventry shall submit new criteria for the use of Provigil that is clinically valid and compatible with established principles of health care in accordance with § 15-10B-05.

How did you learn about the Maryland Insurance Administration ("MIA")?

Appendix E1



MIA CONSUMER QUESTIONNAIRE 2006

Appendix E2

STATISTICAL RESULTS 1/1/06 - 12/31/06	APPEALS & GRIEVANCES	
	Quantity	%
Questionnaires Sent <i>through</i> 12/31/06	322	100%
Response Received <i>through</i> 12/31/06	62	19%

QUESTION TO CONSUMER	APPEALS & GRIEVANCES		
	RESPONSE	#	%
Would you use the MIA's complaint system again if the need arose?	<i>Total</i>	62	100%
	Yes	61	98%
	No	1	2%
	Unable to Evaluate	0	0%
	No Response	0	0%

QUESTION TO CONSUMER	APPEALS & GRIEVANCES		
	RESPONSE	#	%
Was the final outcome of your complaint resolved in your favor?	<i>Total</i>	62	100%
	Yes	47	76%
	No	12	19%
	Unable to Evaluate	1	2%
	No Response	2	3%

MIA CONSUMER QUESTIONNAIRE 2006

Appendix E2

QUESTION TO CONSUMER	APPEALS & GRIEVANCES		
	RESPONSE	#	%
If you went through the insurance company's internal grievance procedure prior to filing your complaint with the MIA, were you satisfied with the company's procedure?	<i>Total</i>	62	100%
	Very Satisfied	5	8%
	Satisfied	11	18%
	Not Satisfied	41	66%
	Not Applicable	4	6%
	No Response	1	2%

QUESTION TO CONSUMER	APPEALS & GRIEVANCES		
	RESPONSE	#	%
If you went through the insurance company's internal grievance procedure with the assistance of the Attorney General's Health Advocacy Unit ("HAU"), were you satisfied with the explanation of the process given to you by the HAU?	<i>Total</i>	62	100%
	Very Satisfied	6	10%
	Satisfied	5	8%
	Not Satisfied	3	5%
	Not Applicable	45	73%
	No Response	3	5%

MIA CONSUMER QUESTIONNAIRE 2006

Appendix E2

QUESTION TO CONSUMER	APPEALS & GRIEVANCES		
	RESPONSE	#	%
<p>If you went through the insurance company's internal grievance procedure <u>with the assistance of the Attorney General's Health Advocacy Unit ("HAU")</u>, were you satisfied with the <i>explanation of your grievance's final outcome</i>?</p>	<i>Total</i>	62	100%
	Yes	10	16%
	No	3	5%
	Not Applicable	44	71%
	No Response	5	8%

QUESTION TO CONSUMER	APPEALS & GRIEVANCES		
	RESPONSE	#	%
<p>Regardless of the final outcome, how satisfied were you with the handling of your complaint by the Maryland Insurance Administration?</p>	<i>Total</i>	62	100%
	Very Satisfied	32	52%
	Satisfied	17	27%
	Not Satisfied	10	16%
	Cannot Evaluate	1	2%
	No Response	2	3%