

**Report to the Joint Standing Committee
On Insurance and Financial Services**

**Insurance Company Reporting on Lyme Disease and Other Tick-
borne Illnesses for 2008**



John Elias Baldacci
Governor

Mila Kofman
Superintendent



- OFFICE OF SECURITIES
- BUREAU OF INSURANCE
- CONSUMER CREDIT PROTECTION
- BUREAU OF FINANCIAL INSTITUTIONS
- OFFICE OF LICENSING AND REGISTRATION

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Title 24-A: MAINE INSURANCE CODE; Chapter 56-A: HEALTH PLAN IMPROVEMENT ACT HEADING: PL 1997, C. 792, §2 (RPR); Subchapter 1: HEALTH PLAN REQUIREMENTS HEADING: PL 1997, C. 792, §2 (NEW)

5. Annual report; claims for treatment of Lyme disease and other tick-borne illnesses. By February 1st of each year, all carriers shall file with the superintendent for the most recent calendar year for all covered individuals in the State the total claims made for the treatment of Lyme disease and other tick-borne illnesses. The filing must include information on the number of claims made for the treatment of Lyme disease and other tick-borne illnesses, the total dollar amount of those claims, the number of claim denials and the reasons for those denials, the number and outcome of internal appeals and the number of external appeals related to the treatment of Lyme disease and other tick-borne illnesses. The superintendent shall compile from all carriers this data in an annual report and submit the report by March 15th of each year to the joint standing committee of the Legislature having jurisdiction over health insurance matters.

Pursuant to 24-A §4302, the Bureau of Insurance developed an online report form for all licensed health carriers to enter data regarding tick-borne disease treatment claims for all insured Maine residents. The information entered includes data collected from insurance companies licensed through the Bureau of Insurance, whether the enrollees are in a self-funded or fully insured plan. The data do not include MaineCare or Medicare claims.

The Maine Centers for Disease Control identified five reported tick-borne diseases in Maine: Lyme Disease, Babesiosis, Ehrlichiosis (Anaplasmosis), Rocky Mountain Spotted Fever, and Powassan Virus. Licensed health carriers were required to report treatment claims for all five tick-borne illnesses and the types of treatment, as well as the numbers and reasons for denial of benefits for the calendar year January 1, 2008 through December 31, 2008. The data include only claims for the *treatment* of tick-borne illnesses. They do not include claims for the *diagnosis* of tick-borne illnesses.

This was the first year that tick-borne disease data was collected. The data entry presented a number of difficulties including: development of a secure online data entry form in a timely manner, the carrier's challenge of pulling data from their databases by ICD-9 codes (for the five diagnoses), and breaking down the treatment data by type of treatment. The Bureau expects an increased response rate in the data reported for the next annual report, which will contain calendar year 2009 data. A total of 377 of 425 (89%) licensed health carriers responded. Letters were sent to the remaining health carriers reminding them to file a report, however, it was determined that the remaining carriers would have reported zero claims for the treatment of tick-borne diseases since they report zero health claims in Maine.

Table 1. Tick Borne Disease Claims by Category, 2008

Table 1 shows the number of claims submitted, paid and denied. Table 1 represents the number of *claims--not* the number of enrollees. For instance, one enrollee may have 10 claims within the calendar year relating to a diagnosis of Lyme disease. The “Percent of Claims Paid” column in Table 1 shows the calculation of the number in the “Paid” column divided by the number in the “Submitted” column.

Category	Submitted	Paid	Denied	Total Paid	Percent of Claims Paid
Babesiosis	83	75	8	\$ 11,308.16	90%
Ehrlichiosis (Anaplasmosis)	50	48	2	\$ 16,530.81	96%
Lyme	8243	6917	1326	\$951,078.94	84%
Powassan Virus	0	0	0	0	0
Rocky Mountain Spotted Fever	36	20	16	\$ 12,437.64	56%
Totals:	8412	7060	1352	\$991,355.45	84%

Table 2. Lyme Disease Claims by Treatment Type, 2008

Table 2 shows the analysis of the treatment type by antibiotics (any antibiotic, by any means of administration) prescribed for eight week increments. Anecdotal experience in investigating Bureau of Insurance consumer complaints suggests that antibiotic use longer than eight weeks is the most frequently denied benefit for treatment of Lyme disease. The online form also included space for the respondent to identify other types of treatment for Lyme disease.

The data presented do not include all of the denied claims “more than 8 weeks antibiotic treatment.” Anthem was unable to produce that specific data before this report was prepared.

Treatment Type	Submitted	Paid	Denied	Total Paid	Percent of Claims Paid
Antibiotic Treatment, 8 weeks or less	314	312	2	\$ 98,835.72	99.4%
Antibiotic Treatment, more than 8 weeks	145	145	0	\$ 57,937.69	100%
Other Treatment	133	118	15	\$ 17,884.92	88.7%
Totals:	592	575	17	\$174,658.33	97.1%

Table 3. Reasons for Denied Tick Borne Disease Claims, 2008

Table 3 provides the reasons provided on the claim form for the denial of payment for that claim. One claim may have multiple reasons for denial.

Reasons for Denial	Number of Denied Claims
Incorrect Coding	230
Coverage Terminated	205
More Information Requested/Not Received	133
Pre-Existing Condition Exclusion	87
Not a Covered Benefit	78
Non-Participating Provider	40
Not Medically Necessary (Including Experimental/Investigational)	31
No Pre-Authorization	5
Maximum Benefits Exceeded	1
Total:	810

Table 4. Number of Appeals/Reconsiderations and External Reviews for All Tick Borne Diseases, 2008

Table 4 provides the number of appeals and reconsiderations that were conducted by the insurance companies reporting data to the Bureau of Insurance.

	Upheld	Overtured	Total
Appeals/Reconsideration (Internal)	6	5	11
Independent External Reviews (Conducted by the Insurer, not the Bureau of Insurance)	2		2
Total:	8	5	13

The Bureau of Insurance had no requests for an independent external review relating to Lyme disease in 2008. If more information or clarification is desired, the Bureau of Insurance would be pleased to provide it upon request.