

**NAIC CONSUMER LIAISON
REPRESENTATIVE RECOMMENDATION
TO THE NAIC EXECUTIVE (EX) COMMITTEE**

(Please submit completed request form to Lois Alexander (NAIC) for processing)

RECOMMENDED BY: _Carl Schmid, Lucy Culp, Harry Ting_____

DATE: _____ July 28, 2023 _____

ISSUE: Barriers to Health Insurance by Prior Authorizations, Denials and Appeals: Consumers face numerous barriers as they attempt to access their healthcare through prior authorizations and the appeals and denials process. Consumer representatives constantly hear stories from beneficiaries and their providers about the increase of these barriers, which have been highlighted in recent press stories and substantiated by data. This data reveals the high number of prior authorization and claim denials and the low number of appeals. Recent survey data reveal that consumers are not aware of their rights and how to file complaints. Some of the coverage decisions are being made through artificial intelligence. States, along with the federal government, are taking steps to address these issues and states will have to implement new laws and regulations.

COMMITTEE REFERRAL RECOMMENDATION:

(A)_____ (B) _____ (C)_____ (D) _____ (E)_____ (F)_____ (G)_____ (H)

ACTION REQUESTED/CHARGE RECOMMENDED: We are proposing that the NAIC develop a workstream, with appropriate charges to the Committees, to address these barriers for consumers. This will include a review of existing data on the issue and additional data that should be collected, federal and state regulations, and enforcement and reporting of existing laws and regulations, including market conduct examinations. Based upon this review, the workstream will propose actions that states and the federal government can take to improve consumer awareness of the appeals process, and recommend updates to relevant NAIC model laws and regulations.

NAIC ACTION:

RECOMMENDATION ACCEPTED: _____

RECOMMENDATION DECLINED: _____

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