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Health insurers should agree to a code of conduct

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Guest essayist

Attorney General Andrew Cuomo's recent announcement of a settlement with Excellus BlueCross/BlueShield regarding out-of-network reimbursements has shined the spotlight on a secretive practice by the health insurance industry that has adversely affected patients and physicians for many years.

The business policies that led to this historic settlement once again highlight the need for comprehensive reform of the practices of the multibillion-dollar profit-generating health insurance industry.

Short-changing patients and physicians is only part of this bleak picture. In 2007, most of New York's health insurance industry reached an agreement with the attorney general that required the companies that establish "profiles" of their panel physicians must ensure the profiles are established in a way that does not penalize physicians for providing clinically appropriate care to patients, even if such care is expensive.

In 2008, Excellus BlueCross/BlueShield entered into an agreement with the attorney general to reduce the hassles that were being imposed on physicians who sought to ensure their patients could receive appropriate diagnostic imaging services.

These settlements highlight the extent to which some health insurance companies have implemented policies to control costs at the expense of their enrollees — our patients — who seek to avail themselves of the coverage for which they (or their employers) have paid. But the settlements have only begun to scratch the surface of problems endured by patients and their doctors in dealing with health insurance companies. Patients continue to experience problems in seeking to obtain medically necessary care and appropriate prescription medications. Physicians continue to experience systemic problems in obtaining timely and fair payment for the care they provide to patients.

Many believe that these problems can be addressed voluntarily by the health insurance industry on a national basis. It is for this reason that the Medical Society of the State of New York sponsored a resolution that was unanimously approved at a recent national meeting of the American Medical Association. The resolution calls for the AMA to develop a voluntary code of conduct for the health insurance industry.

The purpose of the code is to articulate a series of principles that a health plan would have to follow when it creates policies that attempt to constrict medically necessary care, create drug formularies and truncate agreed-upon payment for care.

A voluntary health plan code of conduct would be premised on four key principles: clinical autonomy, transparency, patient safety and corporate integrity.

A code would help restore a balance between cost containment efforts and preservation of the patient-physician relationship. It is anticipated a code will be developed this spring.

The adoption of a code of conduct by the health plans themselves could go a long way toward assuring that litigation will not be necessary in the future. Hopefully, Excellus will be among the first to sign on.

Hannan is president-elect of the Medical Society of the State of New York.
