WHEN HEALTH INSURANCE COMPANIES SAY NO

Most of the time, we don't think about health insurance. We do our best to stay healthy and get care when we need it, and our insurance quietly helps us pay for prescription drugs our medical professionals recommend. But on rare occasions, our health plan has to say no to a specific medication or service—and that's always hard news to hear. Still, it's vital for all of us that health insurance companies *can* sometimes say no. Here's why that happens and what Minnesotans can do about it.

Why prior approval matters

Health insurers have a duty to everyone they serve to make sure that the prescriptions we take are as safe, as effective and as affordable as possible. One way they do that is to require doctors to get approval for some the drugs they prescribe. This double-check is only required for a short list of drugs and always for specific reasons including:

- More affordable options. Many drugs require prior approval because equally effective alternatives that cost Minnesotans far less — alternatives that physicians might not always know about. A common heartburn medication, for instance, costs $8 per capsule when it's prescribed, but just 56¢ over the counter.
- Reserved for very specific situations. Some medications, like the new treatments for hepatitis C, are very effective — and they are exceptionally costly. Prior approval for costly medications ensures that they're prescribed by experts in the disease and follow-up care is in place to so treatment is safe and successful.
- Are often abused. Some medicines — particularly powerful opioids like hydrocodone and oxycodone — are dangerously addictive. Prior approval helps prevent drug addiction by setting strict limits on prescriptions for the most easily abused medications.
- Potentially dangerous. Some drugs have dangerous side effects, or interact badly with other medications — and physicians don't always have the information they need to consider these potential dangers when they write a prescription. Since health insurers have a comprehensive view of all the prescriptions and care a policyholder receives, the double check of prior approval can help keep patients safe.
- Requirement of Medicare, Medicaid or an employer. Three of every four Minnesotans has health insurance where rules and regulations are set not just by the health insurer, but also by others such as an employers or regulators with the federal government. Sometimes prior approval is required because the government or the employer said so.

BRIEFLY

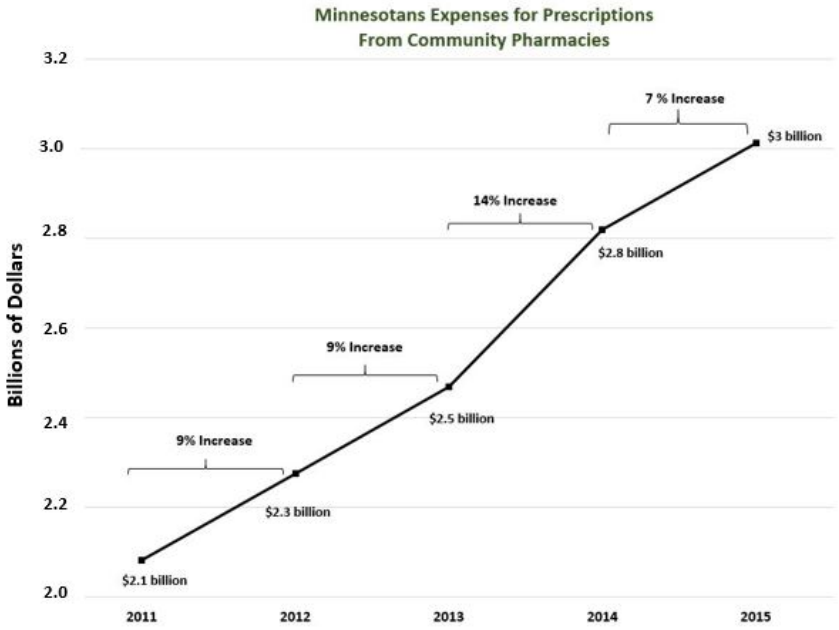
- **Fewer than 1 percent of medications require prior approval.**
- **The price of medications can change overnight. The price for a drug to prevent and treat malaria was $800 a month in 2014 and $45,000 a month in 2015.**
- **Prior approval saves 10 to 20 percent a year in prescription drugs expenses. In 2014 that means taxpayers and individuals saved $300 to $600 million.**
- **By law, all requests and responses for prior approval of medications must be electronic. Once all doctors have implemented necessary technology the process will be faster and easier.**

Expensive prescription drugs make health insurance more expensive

Here in Minnesota, our expenses for prescription drugs rose almost $1 billion from 2011 to 2015. This mounting expense costs us all, whether or not we take costly medications ourselves.

The expense of medical care has risen rapidly and no matter how we get our health insurance, we all pay for increasing medical bills. We see those expenses in higher taxes, steeper health insurance premiums and increasing out-of-pocket expenses.

As our medical expenses continue to rise, health insurance companies are working to keep care within reach for all of us. Insurers constantly monitor the value of our medical services, working to ensure that we always get the best care for the best possible price.



What Minnesotans can do when the insurance company says no

When it comes to getting the best care, we want the same thing. Doctors and nurses, patients and families, people who work in government agencies and in health insurance companies — we all want Minnesotans to be healthy, to live well and to have the best care in the nation when we need it. To do their duty to their policyholders, health insurers sometimes have to make difficult decisions. But they do so for good reasons — to help keep us safe, to ensure that we're getting the most effective possible treatment and to help keep care within reach for everyone.

Whenever a health insurer says no, communication is crucial. Here are practical steps for Minnesotans who need to question a health insurer's decision:

1. **Call to talk it over.** A call to the insurance company is always a good first step — the number to call is on the back of your insurance card. (There's a list of numbers on the Council's website, mnhealthplans.org, too.)
2. **Ask the doctor to call.** Health insurer employees are happy to talk over decisions with the doctors and others who care for their policyholders. Often, a peer-to-peer conversation between medical professionals can resolve any miscommunication and lead to a new understanding.
3. **File an official appeal with the insurer.** If a conversation between the provider and the insurer doesn't lead to an outcome that's satisfactory, every insurer has an official process for appealing decisions. Decisions can be made quickly in urgent situations.
4. **File a complaint with state agencies that regulate health insurance.** The Minnesota Department of Commerce and the Minnesota Department of Health are the two agencies that oversee health insurance you buy on your own or get through work. Complaint forms are on their websites.
5. **Ask for what's called an "external review."** The state may hire an independent medical professional who is an expert in the care you're requesting. The health insurer must follow the decision made by the external reviewer, but the policyholder does not.
6. **File a lawsuit with the courts.** Policyholders have the option to file a lawsuit to require a health insurer to pay for treatment covered in insurance contract.