



Department of Consumer
and Business Services

OREGON DIVISION OF FINANCIAL REGULATION
INSURANCE PRODUCT REGULATION AND COMPLIANCE
LIFE AND HEALTH PROGRAM

MARKET CONDUCT EXAMINATION
REPRODUCTIVE HEALTH EQUITY ACT

OF

REGENCE BLUECROSS BLUESHIELD OF OREGON

AS OF

DECEMBER 31, 2020

NAIC No. 54933

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FOREWORD

January 23, 2023

Honorable Andrew Stolfi
Director, Insurance Commissioner
Department of Consumer and Business Services
350 Winter Street NE
Salem, Oregon 97301-3883

Dear Director Stolfi:

This market conduct examination report of Regence BlueCross BlueShield of Oregon (insurer) was prepared by independent examiners contracting with the Oregon Division of Financial Regulation (division). A market conduct examination is conducted for the purpose of examining certain business practices of insurers licensed to conduct business in Oregon. The examiners conducted the examination of the insurer in accordance with the Oregon Revised Statutes (ORS) 731.300. All work papers and data developed in the production of this report are the sole property of the division. The examiner in charge was Jimmy R Potts, CIE, MCM, FLMI, CLU, AIRC.

Certain unacceptable or noncomplying practices may not have been discovered in the course of this examination. Additionally, findings may not be material to all areas that would serve to assist the commissioner. Failure to identify or criticize specific insurer practices does not constitute acceptance of those practices by the division.

Respectfully Submitted,

Tashia Sizemore
Tashia Sizemore

Tashia Sizemore
Life and Health Program Manager

*Signed and acknowledged before me on January 24, 2023
by Janet Vitus as notary in Marion County, State of Oregon.*

Janet Vitus



EXECUTIVE SUMMARY

In 2017, Oregon enacted House Bill (HB) 3391, known as The Reproductive Health Equity Act (RHEA). HB 3391 is now codified, in part, as Oregon Revised Statutes (ORS) 743A.067. RHEA requires, among other things, that a health benefit plan may not impose on an enrollee a deductible, coinsurance, copayment or any other cost-sharing requirements on the specific reproductive health services.

The focus of this targeted market conduct examination includes, but was not limited to, both insurer's claims as related to the RHEA codified at ORS 743A.067. The examiners identified numerous instances where the insurer was not in compliance with RHEA and other laws in its administration of claims. The examiners, as set forth in detail in this examination report, concluded that the insurer's claims processing systems and procedures did not identify all claims which should have been considered under ORS 743A.067.

Examiners identified instances of non-compliance with RHEA in the insurer's administration of claims. The examiners concluded that claims processing systems and procedures did not identify all claims which should have been considered under ORS 743A.067. Specific preliminary findings related to the examination are summarized below:

- **Noncompliance with ORS 743A.067 relating to the processing of claims** – The insurer failed to equitably settle claims when the insurer applied member cost share to services or supplies where such services or supplies are required to be provided without member cost share under Oregon law. The insurer's claims processing system failed to accurately pay claims according to RHEA. The insurer did not consider certain services subject to RHEA when those services were billed using certain CPT codes or received in specific settings. In some instances, even though the insurer acknowledged that the underlying service was subject to RHEA, the insurer inappropriately applied criteria that limited when RHEA services were paid without member cost share, resulting in member cost share being applied inappropriately.
- **Noncompliance with the requirement to reimburse 12-month contraceptive prescription refills as required by ORS 743A.066 and noncompliance with contraception coverage requirements under 743A.067** – The insurer failed to provide coverage for prescription contraceptive drugs which did not have a therapeutic equivalent and provided inconsistent access to 12-month refills of contraception.¹

The examiners observed during their review of claims adjudicated that it appeared that all pertinent diagnosis codes were not considered when determining if a service should be considered without applying member cost share. Further, there are certain covered RHEA items

¹ The insurer provided information to demonstrate in some cases 12-month contraceptives fill requests were approved, however, the Division has remaining questions and will be requesting additional information to understand the insurer's handling of 12-month contraceptive fill requests.

that are to be paid without member cost share without consideration of the reason for the visit or the attendant diagnosis codes, even if the purpose for the specific services was other than for preventive care.

This examination report, relating to RHEA claims for the period of January 1, 2019, to December 31, 2020, may be forwarded to the division's enforcement unit for enforcement consideration while the insurer responds to the corrective actions identified in the examination report.

SCOPE AND METHODOLOGY

The targeted market conduct examination of the insurer was conducted in accordance with the standards and procedures established by the National Association of Insurance Commissioners (NAIC) and under the authority set forth in ORS 731.300 and direction from the division. The examination of the insurer covered the period of time from January 1, 2019, to December 31, 2020, for business reviewed. The purpose of the examination was to determine the insurer's compliance with ORS 743A.067, Oregon's Reproductive and Health Equity Act.

The following is taken directly from written documentation provided by Regence BlueCross BlueShield of Oregon:

Regence BlueCross BlueShield of Oregon (RBCBSO), is an Oregon nonprofit taxable health care services contractor, incorporated in Oregon on October 7, 1941, and its sole member is Regence Insurance Holding Corporation (RIHC).

RIHC is an Oregon nonprofit non-Insurance holding insurer, and its sole member is Cambia Health Solutions, Inc. (Cambia), an Oregon nonprofit non-insurer holding insurer. Cambia is the ultimate parent of RBCBSO.

RBCBSO is a health care service contractor licensed with the state of Oregon under an insurer's Certificate of Authority issued May 5, 1942, and with the state of Washington under a Certificate of Registration issued November 14, 1983.

RBCBSO holds foreign authority to conduct business with the Secretary of State in the states of Minnesota, Washington, and Wyoming.

Cambia is a fully taxed, nonprofit corporation that traces its history back to 1917 and, together with its affiliates, serves as a catalyst to transform health care, creating a person-focused and economically sustainable for its customers and their families.

The examiners utilized examinations by test and by sample. Examination by test involves the review of all records within the populations, while examination by sample involves the review of a selected number of records from within the population. File sampling was based on a review of complaints and RHEA medical and prescription drug claims incurred during the period under

examination and selected at random using computer software applied to data files provided by the insurer. Samples are tested for compliance with standards established by the NAIC and adopted by the division.

FINDINGS AND OBSERVATIONS – COMPLAINT REVIEW

The examiners reviewed the entire population of complaints identified by the insurer and did not find any reportable exceptions.

FINDINGS AND OBSERVATIONS – MEDICAL CLAIMS REVIEW

The examiners reviewed paid and denied medical claims on the insurer's claim processing system to determine if the claim was properly adjudicated in accordance with Oregon's RHEA law. Where apparent violations were noted, the examiners issued findings, by line of business and by paid or denied claims status. The examiners found that the claims adjudication was fairly consistent (if a certain CPT code representing a service was subject to member cost share in one instance it would most likely be subject to member cost share in other files reviewed). However, no assumptions were made that this would be true, and each identified apparent violation was carefully reviewed by the examiners. For each violation noted, the examiners requested that the insurer provide a PDF copy of the claim form submitted and all applicable explanation of benefits (EOB) related to that particular claim. Further, the examiners generally asked that the insurer provide a written response to any claims where the examiners had questions regarding the processing of such claim prior to the examiners determining if such claim was processed incorrectly and a finding of noncompliance was issued regarding that claim.

In instances where the primary diagnosis code would indicate that the reason for the visit was a women's well woman, preventive, or gynecological visit, the examiners required RHEA listed services to be paid without member cost share. In other instances, the examiners determined that the primary reason for the visit was not related to RHEA and a member cost share could be applied to services that were not specific to RHEA. However, without regard to the listed diagnosis code, if a service was performed that was listed in ORS 743A.067, including screenings and services identified by the US Preventive Services Task Force (USPSTF) or the Health Resources and Services Administration of the US Department of Health and Human Services (HRSA) as a recommended preventive service, and member cost share was applied to that service, then such claims were identified as an apparent violation. Further, there could be multiple apparent violations identified and reported in a single file, however, for reporting of overall violations noted, each file is only counted once by the examiners.

EXAMINERS' PRELIMINARY COMMENTS – APPLICABLE TO ALL FINDINGS

Many of the examiners' findings were similar across all lines of business. In an effort to avoid needless repetition, the examiners have included their general comments below. The examiners' specific findings for each line of business are set forth by finding number following the examiners comments.

Provider billing using generic CPT and diagnosis codes

In determining whether claims should be subject to RHEA, the examiner considered CPT codes and stated diagnosis codes. The examiners carefully reviewed the insurer's position and disagree that it was appropriate to assess a member cost share in several instances. Where the examiners cited a violation of member cost share requirements it is because the examiners reviewed the claim in totality and determined that certain services, giving deference to the stated diagnosis codes, should have been paid without member cost share. In many instances the entire claim was comprised of services which were required to be covered without member cost share, but member cost share was applied to one or more of the subject CPT codes. Where the examiners concluded that the claim was subject to RHEA and the insurer assessed member cost share, those claims were cited as being in violation of Oregon law.

When considering claims that are subject to RHEA, the insurer appears to be focused on how the provider billed the claim rather than if the claim should be considered under RHEA. For instance, the examiners noted several claims where the CPT code was related to RHEA services but the insurer assessed member cost share when adjudicating the claim because the CPT or diagnosis code was not specific enough for the insurer. The statute does not require CPT or diagnosis codes related to RHEA services be the primary codes, only that RHEA services be covered without member cost share. The insurer failed to identify this distinction in its claims processing. The required coverage is not dependent upon specific diagnosis codes. The purpose of ORS 743A.067 is to improve access to reproductive health services.

Reimbursement of prescription and non-prescription contraceptive claims

The requirement to reimburse the provider for contraceptive drugs, devices or supplies is not limited to pharmacy providers. Denial of contraceptive drugs, devices or supplies provided by a health care provider is in violation of Oregon law.

In certain instances, contraceptive devices billed by medical providers, i.e., condoms, were provided and were denied and the EOB indicated member cost share, usually the full billed amount, was applicable. The examiners have upheld all of these findings where member cost share was indicated as RHEA law requires coverage of contraceptive supplies without member cost share.

ACA exceptions for primary procedure

The examiners noted that the claims were paid in accordance with the provider contract. When

the provider billed each item separately, the insurer considered, in accordance with the provider's contract, payment at an allowed amount. This occurred either in full or discounted and then applied all allowed amounts in excess of the contracted payment to member cost share. However, the examiners were unable to definitively determine that the services that should have been covered without member cost share were not subjected to member cost share. The provisions of a provider contract cannot impose member cost share amounts on services which are not subject to member cost share under Oregon law. Therefore, in those instances where the claims were rolled up and a definitive determination could not be made by the examiners that RHEA claims were not subject to member cost share such claims were cited as violations of Oregon law. The purpose of the RHEA statute is to provide reproductive health services without member cost share.

Preventive vs. diagnostic

The examiners conducted this review in accordance with the coverage requirements under ORS 743A.067, which requires coverage for specific services performed by the health care provider, including screening tests where a specific ACA diagnosis for that condition is not necessarily provided. For instance, if a person went in for treatment of nausea and a screening for anemia was conducted, such screening is a covered service under RHEA. The requirement of providing benefits without member cost share is not limited to services considered preventative care under the ACA.

The examiners, in addition to ORS 743A.067, reviewed 45 CFR Part 147.130(a)(2)(i) which addresses the application of member cost share under ACA solely to the office visit. Specifically, it states:

- (i) If an item or service described in [paragraph \(a\)\(1\)](#) of this section is billed separately (or is tracked as individual encounter data separately) from an office visit, then a plan or issuer may impose cost-sharing requirements with respect to the office visit.
- (ii) If an item or service described in [paragraph \(a\)\(1\)](#) of this section is not billed separately (or is not tracked as individual encounter data separately) from an office visit and the primary purpose of the office visit is the delivery of such an item or service, then a plan or issuer may not impose cost-sharing requirements with respect to the office visit.

The examiners cited instances where preventive lab tests were not covered without member cost share. For instance, if a woman went in for a preventive visit and tests are conducted which would not normally be considered RHEA screenings, i.e., blood panels, labs, etc., such services would still need to be covered under the RHEA law if listed as a covered screening. In reviewing the quoted federal law, it appears that the law is silent on the carrier's ability to apply member cost share to preventive/screening lab tests. Absent law to the contrary, the examiners assert that the insurer should have considered preventive/screening lab tests conducted in conjunction with women's preventive or gynecological visits without applying member cost share.

Inadequacies in claims processing system

The insurer's claims process, including system and programming, should be robust enough to identify, by CPT and diagnosis codes, which services should be covered without member cost share. The examiners observed during their review of sampled claims that it appeared the insurer failed to consider all pertinent regulatory requirements when determining if a service should be considered without applying member cost share. Further, there are certain covered RHEA items that are to be paid without member cost share without consideration of the reason for the visit and any associated diagnosis codes, specifically abortion and contraception.

The examiners note that in certain instances claims were adjudicated in accordance with the provider's contract with the insurer. On occasion the provider contract would require that claims be paid at a certain level, subject to a specified dollar amount and anything over that dollar amount could be subject to member cost share. In those instances, it is possible that a RHEA CPT code was not paid without member cost share, but was rolled into the amount subject to member cost share. The provider contract cannot cause RHEA claims to be paid subject to member cost share.

Further, while the examiners identified certain CPT codes that in their opinion represent services that need to be covered without cost share to comply with RHEA the list of CPT codes utilized by the examiners may not have been exhaustive. The insurer is responsible to assure that all claims are adjusted in accordance with Oregon law and the insurer's policy provisions.

The examiners conducted an analysis of codes they identified as RHEA codes and found that the insurer had not identified all potential codes in its universe of claims which should have been covered without member cost share. The insurer was not in compliance with ORS 743A.067 as it did not capture all CPT codes subject to RHEA. Although there are multiple instances of noncompliance the examiners are citing the failure to identify all RHEA CPT codes as one violation of ORS 743A.067.

Finding 1: Noncompliance with ORS 743A.067 relating to the processing of claims

Denied large group medical claims

The examiners reviewed a sample of 108 denied large group RHEA claims from a population of 8,364 denied claims. The insurer, in its instructions for providing denied claims data, was instructed to consider a claim denied if any portion of the claim was denied. Therefore, the examiners would review the claim in totality as it was adjudicated. If upon the examiners' review it was determined that a portion of the claim was incorrectly paid, it would be cited even though it was not the denied component. The examiners determined that violations of Oregon law occurred in the processing of certain claims.

The insurer was not in compliance with 743A.067 in that the insurer applied member cost share to

services or supplies where such services or supplies are required to be provided without member cost share by Oregon law.

There were 58 violations noted which affected 12 denied claims, however each claim is only considered an error one time.

Denied claims – Large group

| Population | Sample size | Number of errors | Error rate |
|------------|-------------|------------------|------------|
| 8,364 | 108 | 11 | 10% |

Paid large group medical claims

The examiners reviewed a sample of 109 paid RHEA claims from a population of 90,333 paid claims. The examiners determined that violations of Oregon law occurred in the processing of certain claims.

The insurer was not in compliance with 743A.067 in that the insurer applied member cost share to services or supplies where such services or supplies are required to be provided without member cost share by Oregon law. The purpose of the RHEA statute is to improve access to reproductive services.

There were 49 violations noted which affected 10 paid claims, however each claim is only considered an error one time.

Paid claims – Large group

| Population | Sample Size | Number of errors | Error Rate |
|------------|-------------|------------------|------------|
| 90,333 | 109 | 10 | 9.1% |

Denied small group medical claims

The examiners reviewed a sample of 108 denied RHEA claims from a population of 7,020 denied claims. The insurer, in its instructions for providing denied claims data, was instructed to consider a claim denied if any portion of the claim was denied. Therefore, the examiners would review the claim in totality as it was adjudicated. If upon the examiners' review it was determined that a portion of the claim was incorrectly paid, it would be cited even though it was not the denied component. The examiners determined that violations of Oregon law occurred in the processing of certain claims.

The insurer was not in compliance with 743A.067 in that the insurer applied member cost share to services or supplies where such services or supplies are required to be provided without member cost share by Oregon law.

There were 74 violations noted which affected 14 denied claims, however each claim is only considered an error one time.

Denied claims – Small group

| Population | Sample size | Number of errors | Error rate |
|------------|-------------|------------------|------------|
| 7,020 | 108 | 14 | 12.9% |

Paid small group medical claims

The examiners reviewed a sample of 109 paid RHEA claims from a population of 77,963 paid claims. The examiners determined that violations of Oregon law occurred in the processing of certain claims.

The insurer was not in compliance with 743A.067 in that the insurer applied member cost share to services or supplies where such services or supplies are required to be provided without member cost share by Oregon law.

There were 70 violations noted which affected 12 paid claims, however each claim is only considered an error one time.

Paid claims – Small group

| Population | Sample size | Number of errors | Error rate |
|------------|-------------|------------------|------------|
| 77,963 | 109 | 12 | 11% |

Paid individual medical claims

The examiners reviewed a sample of 107 paid RHEA claims from a population of 2,192 paid claims. The examiners determined that violations of Oregon law occurred in the processing of certain claims.

The insurer was not in compliance with 743A.067 in that the insurer applied member cost share to services or supplies where such services or supplies are required to be provided without member cost share by Oregon law.

There were 77 violations noted which affected 14 paid claims, however each claim is only considered an error one time.

Paid claims – Individual

| Population | Sample size | Number of errors | Error rate |
|------------|-------------|------------------|------------|
| 2,192 | 107 | 14 | 13.08% |

Finding 2: Noncompliance with the requirement to reimburse 12-month contraceptive prescription refills as required by ORS 743A.066 and noncompliance with contraception coverage requirements under ORS 743A.067.

The examiners reviewed paid and denied prescription drug claims on the insurer's claim processing system to determine if the claim was properly adjudicated in accordance with Oregon's RHEA law. Where apparent violations were noted the examiners issued findings, by line of business and by paid or denied status.

A frequent reason for the insurer's denial of a prescription claim was that the prescription was not eligible for refill at the time of request due to an insufficient amount of time passing since the previous dispensing of that drug. In some instances, claims were denied even though the claims were made after the date of eligibility listed in the denial code.

In other instances, the eligibility date was found to be inappropriate. The examiners found evidence that the insurer uses standard utilization edits at the point-of-sale, such as a "refill too soon" denial. This limits access to contraceptives if the member has not used at least 75 percent of their current prescription. In the case of oral contraceptives, several products utilize a 28-day cycle where the first 21 pills contain hormonal drugs and the last 7 pills are a placebo sugar pill. Individuals may choose or are counseled by their provider to skip the placebo week, which could result in finishing their prescribed oral contraceptive sooner than permitted by the insurer's point-of-sale claims adjudication. While a "refill too soon" denial may catch fraud or misuse of other prescription drugs, the examination found that these denials may have resulted in limiting access to oral contraceptives.

Other reasons provided for inappropriate denials included that the drug was not in the insurer's formulary, the dosage amount was not consistent with the amounts in the formulary, and the pharmacy had entered the members' demographic information incorrectly.

The examiners generally asked that the insurer provide a written response to any claims where the examiners had questions regarding the processing of such claim prior to the examiners determining if such claim was processed incorrectly and a finding of noncompliance was issued regarding that claim.

Denied individual pharmacy claims

The examiners reviewed a sample of 76 denied individual prescription claims out of a population of 257 denied individual prescription claims. The insurer was not in compliance with ORS 743A.066 and 743A.067 in that the insurer failed in seven instances to provide coverage for prescription contraceptive drug which did not have a therapeutic equivalent. In 9 instances the insurer wrongfully denied a claim for being refilled too soon since the last dispensing.

There were 16 violations noted, which affected 16 denied individual prescription claims, however each claim is only considered an error one time.

Denied individual prescription claims

| Population | Sample size | Number of errors | Error rate |
|------------|-------------|------------------|------------|
| 257 | 76 | 16 | 21% |

Denied large group prescription claims

The examiners reviewed a sample of 108 denied large group prescription claims out of a population of 5,893 denied large group prescription claims.

The insurer was not in compliance with ORS 743A.066 and 743A.067 in that the insurer failed, in one instance, to provide coverage for prescription contraceptive drugs which did not have a therapeutic equivalent and in 14 instances wrongfully denied a claim for being refilled too soon since the last dispensing.

There were 15 violations noted which affected 15 denied large group prescription claim, however each claim is only criticized one time.

Denied large group prescription claims

| Population | Sample size | Number of errors | Error rate |
|------------|-------------|------------------|------------|
| 5,893 | 108 | 15 | 14% |

Paid large group prescription claims

The examiners reviewed a sample of 109 paid large group prescription claims out of a population of 41,104 paid large group prescription claims.

The insurer was not in compliance with 743A.067 in that the insurer failed, in certain instances, to provide the contraceptive drug Lo Loestrin FE without member cost share.

The specific numbers of violations by provision of law are listed in the Appendix.

There were three violations noted which affected three paid large group prescription claims, however each claim is only considered an error one time.

Paid large group prescription claims

| Population | Sample size | Number of errors | Error rate |
|------------|-------------|------------------|------------|
| 41,104 | 109 | 3 | 3% |

Denied small group pharmacy claims

The examiners reviewed a sample of 108 denied small group prescription claims out of a population of 6,625 denied small group prescription claims.

The insurer was not in compliance with ORS 743A.066 and 743A.067 in that the insurer failed, in eight instances, to provide coverage for prescription contraceptive drugs which did not have a therapeutic equivalent and in 16 instances failed to provide the prescription contraceptive if a sufficient amount of time had not past since the previous prescription contraceptive was provided..

There were 24 violations noted which affected 24 denied small group prescription claims, however each claim is only considered an error one time.

Denied small group prescription claims

| Population | Sample size | Number of errors | Error rate |
|------------|-------------|------------------|------------|
| 6,625 | 108 | 24 | 22% |

Paid small group pharmacy claims

The examiners reviewed a sample of 109 paid small group prescription claims out of a population of 39,689 paid small group prescription claims.

The insurer was not in compliance with ORS 743A.067 in that the insurer failed, in one instance, to provide an approved alternative to a generic contraceptive drug or device without member cost share.

There was one violation noted which affected one paid small group prescription claim, however each claim is only considered an error one time.

Paid small group prescription claims

| Population | Sample size | Number of errors | Error rate |
|------------|-------------|------------------|------------|
| 39,689 | 109 | 1 | 1% |

RECOMMENDATIONS

The examiners recommend:

1. The insurer review its policies and procedures to assure that all claims are adjudicated in accordance with Oregon Insurance Code, including but not limited to, ORS 743A.067.
2. The insurer review its claims adjudication system and make all necessary adjustments to assure that claims are adjudicated in accordance with Oregon insurance law, including but not limited to, ORS 743A.067.
3. The insurer review all paid and denied prescription contraceptive claims to assure that all contraceptive claims, which are not in the formulary, were appropriately adjudicated. If there is not a therapeutic equivalent, then such contraceptive drugs should be covered without member cost share.
4. Insurer personnel be trained in all RHEA requirements for proper non-cost sharing requirements and payments for RHEA-related services without other restrictions or delays.
5. The insurer provide further information to the division demonstrating handling of 12-month contraceptive claims to ensure compliance with refill requirements.
6. The insurer identify all pertinent CPT codes for services, drugs, devices, products and procedures listed in ORS 743A.067, and where applicable diagnosis codes required to properly adjudicate RHEA claims. The insurer should also consider that the purpose of ORS 743A.067 is to improve access the services identified in statute and limit medical management of those services to ensure access consistent with the purpose.

APPENDIX

Table 1: Errors by line of business

| Line of business | Total claims | Sample claims | Number of errors | Error rate | Finding # |
|---|---------------------|----------------------|-------------------------|-------------------|------------------|
| Individual – Paid medical claims | 2,192 | 107 | 14 | 13% | 5 |
| Individual – denied prescription claims | 257 | 76 | 16 | 21% | 6 |
| | | | | | |
| Small group – Paid medical claims | 77,863 | 109 | 12 | 11% | 4 |
| Small group – denied medical claims | 7,020 | 108 | 14 | 13% | 3 |
| Small group – Paid prescription claims | 39,689 | 109 | 1 | 1% | 10 |
| Small group – denied prescription Claims | 6,625 | 108 | 24 | 22% | 9 |
| | | | | | |
| Large group – Paid medical claims | 90,333 | 109 | 10 | 9% | 2 |
| Large group – denied medical claims | 8,364 | 108 | 11 | 10% | 1 |
| Large group – Paid prescription claims | 41,104 | 109 | 3 | 3% | 8 |
| Large group – denied prescription claims | 5,893 | 108 | 15 | 14% | 7 |
| | | | | | |
| Failure to identify all applicable RHEA CPT codes | N/A | N/A | 1 | N/A | 12 |

Table 2 sets forth the frequency that Oregon law was violated across all lines of business. The examiners specific findings are found under each finding listed after Table 2.

| Statute | Ind. paid | Small group paid | Small group denied | Large group paid | Large group denied | TOTAL VIOLATIONS BY STATUTE |
|--|-----------|------------------|--------------------|------------------|--------------------|-----------------------------|
| 743A.067(2)(a) Well woman care | 7 | 10 | 13 | 1 | 3 | 37 |
| 743A.067(2)(b) STD counseling | 1 | 2 | 1 | 2 | -- | 6 |
| 743A.067(2)(c) Screening: (2)(c)A thru O | N/A | N/A | N/A | N/A | N/A | N/A |
| 743A.067(2)(c)(A) Chlamydia | 1 | -- | 1 | -- | -- | 2 |
| 743A.067(2)(c)(B) Gonorrhea | 1 | -- | 1 | 1 | -- | 3 |
| 743A.067(2)(c)(C) Hepatitis B | -- | -- | -- | -- | 2 | 2 |
| 743A.067(2)(c)(D) Hepatitis C | -- | -- | -- | -- | 3 | 3 |
| 743A.067(2)(c)(E) HIV/AIDS | -- | -- | -- | -- | 2 | 2 |
| 743A.067(2)(c)(F) Human papillomavirus | | | 1 | | | 1 |
| 743A.067(2)(c)(G) Syphilis | | 2 | | | | 2 |
| 743A.067(2)(c)(H) Anemia | 9 | 8 | 5 | 4 | 5 | 31 |
| 743A.067(2)(c)(I) Urinary tract infection | 2 | | | | 1 | 3 |
| 743A.067(2)(c)(J) Pregnancy | 1 | -- | 1 | 2 | -- | 4 |
| 743A.067(2)(c)(K) RH incompatibility | 1 | -- | -- | -- | 2 | 3 |
| 743A.067(2)(c)(L) Gestational diabetes | -- | -- | -- | -- | 2 | 2 |

Table 2 continued

| Statute | Ind. Paid | Small group paid | Small group denied | Large group paid | Large group denied | TOTAL VIOLATIONS BY STATUTE |
|---|------------------|-------------------------|---------------------------|-------------------------|---------------------------|------------------------------------|
| 743A.067(2)(c)(M) Osteoporosis | 1 | -- | -- | -- | -- | 1 |
| 743A.067(2)(c)(O) Cervical Cancer | -- | -- | 2 | -- | -- | 2 |
| 743A.067(2)(j) Contraceptive drugs, devices, or product | -- | -- | -- | -- | 1 | 1 |
| 743A.067(2)(k) Voluntary Sterilization | 1 | -- | -- | -- | -- | 1 |
| 743A.067(2)(l)(A) Education/counseling sterilization and contraception | 1 | 3 | 2 | 4 | 1 | 11 |
| 743A.067(3) Improper cost share | 17 | 15 | 15 | 11 | 12 | 70 |
| Total violations by market | 77 | 70 | 74 | 49 | 58 | |

Table 3 sets forth for each line of business the population, and sample size of the claims which were not properly adjudicated.

| | Individual paid | Small group paid | Small group denied | Large group paid | Large group denied | TOTALS |
|----------------------------------|-----------------|------------------|--------------------|------------------|--------------------|---------|
| CLAIMS POPULATION | 2192 | 77,963 | 7,020 | 90,333 | 8,364 | 185,872 |
| CLAIMS SAMPLE | 107 | 109 | 108 | 109 | 108 | 541 |
| TOTAL VIOLATIONS | 77 | 70 | 74 | 49 | 58 | 328 |
| NUMBER OF CLAIMS AFFECTED | 14 | 12 | 14 | 10 | 11 | 61 |
| PERCENTAGE VIOLATION | 13.08% | 11.00% | 12.9% | 9.2% | 10.18% | 11.27% |

Table 4 sets forth for each line of business the frequency that Oregon law was violated across all lines of business. The examiners specific findings and the insurer's response are found under each finding listed after **Table 4**.

| Statute | Individual paid | Individual denied | Small group paid | Small group denied | Large group paid | Large group denied | TOTAL VIOLATIONS BY STATUTE |
|---|-----------------|-------------------|------------------|--------------------|------------------|--------------------|-----------------------------|
| 743A.066(2)((b)(A) & (B) Contraceptive drugs delaying access | -- | 16 | -- | 24 | -- | 14 | 54 |
| 743A.067(2)(j) Contraceptive drugs, devices, or product | -- | 7 | 1 | 8 | 3 | 1 | 20 |
| Total violations by market | 0 | 23 | 3 | 32 | 9 | 15 | |

Table 5 identifies findings in the individual paid claim population.

| Population | Examination review item (sample) | Diagnosis code | CPT code | Finding |
|-------------------|----------------------------------|----------------|---|---------------------|
| Individual – paid | 3 | Z1231 | 36415; 80061; 82728; 83036; 84443; 85027; 87389 | Prompt pay |
| Individual – paid | 23 | Z124 | 87491 | Improper cost share |
| Individual – paid | 29 | Z124 | 88738; 81003; 80061; 36415; 82947 | Improper cost share |
| Individual – paid | 30 | Z302 | 55250; 99202 | Improper cost share |
| Individual – paid | 36 | Z0000 | 80048; 84443; 85025 | Improper cost share |
| Individual – paid | 37 | Z1231 | 84439; 85025; 84443; 80053; 77080 | Improper cost share |
| Individual – paid | 52 | N912 | 84702 | Improper cost share |
| Individual – paid | 63 | Z7251 | 99213 | Improper cost share |
| Individual – paid | 64 | Z01818 | 85025 | Improper cost share |
| Individual – paid | 71 | Z139 | 81002 | Improper cost share |
| Individual – paid | 75 | Z01419 | 80053; 84443; 85025 | Improper cost share |
| Individual – paid | 87 | T8339xa | 58562 | Improper cost share |
| Individual – paid | 98 | R7301 | 85025 | Improper cost share |
| Individual – paid | 100 | J101 | 85018 | Improper cost share |
| Individual – paid | 101 | Z113 | 85025; 87086 | Improper cost share |

Table 6 sets forth findings from the small group paid claims population.

| Population | Examination review item (sample) | Diagnosis code | CPT code | Finding |
|--------------------|---|-----------------------|---|---------------------|
| Small group – paid | 1 | Z30432 | 99202 25 | Improper cost share |
| Small group – paid | 60 | Z30432 | 99203 25 | Improper cost share |
| Small group – paid | 69 | Z206 | 99213; 86592 | Improper cost share |
| Small group – paid | 70 | Z309 | 99203 | Improper cost share |
| Small group – paid | 77 | Z113 | 99203 | Improper cost share |
| Small group – paid | 80 | Z01419 | 82670; 83001; 84144; 84270; 84403; 84402; 84481; 84439; 82627; 83525; 82607; 82728; 80050 | Improper cost share |
| Small group – paid | 85 | Z0000 | 85025; 80053 | Improper cost share |
| Small group – Paid | 95 | Z1159 | 85027 | Improper cost share |
| Small group – Paid | Supp 04 | N943 | 85025 | Improper cost share |

Table 7 sets forth findings from the small group denied claims population.

| Population | Examination Review Item (Sample) | Diagnosis Code | CPT Code | Finding |
|----------------------|----------------------------------|-------------------------|---|------------------------------|
| Small group – denied | 12 | Z01419 | 36415; 80053; 80061; 83036; 84443; 85025 | Improper cost share |
| Small group – denied | 33 | Z3200 | 84702 | Improper cost share – denied |
| Small group – denied | 59 | Z30433 | 99214 25 | Improper cost share |
| Small group – denied | 65 | Z0000 | 36415; 80053; 80061; 83036; 84439; 84443; 86038; 85025; 85652 | Improper cost share |
| Small group – denied | 66 | Z0000 | 36415; 80053; 80061; 84439; 84443; 85025 | Improper cost share |
| Small group – denied | 90 | Z0000 | Improper cost share | Improper cost share |
| Small group – denied | 96 | Claim form not provided | Claim form not provided | Improper cost share |
| Small group – denied | 97 | Z113 | 87491; 87591; 88142 | Improper cost share |
| Small group – denied | 104 | Claim form not provided | Claim form not provided | Improper cost share – denied |

| | | | | |
|----------------------|---------|--------|---|------------------------------|
| Small group – denied | 105 | Z3046 | A4267 | Improper cost share – denied |
| Small group – denied | Supp 04 | Z0000 | 99386; 80050; 80061; 84439; 82306; 36415 | Improper cost share |
| Small group – denied | Supp 06 | Z01411 | 80061; 83036; 84443 | Improper cost share |
| Small group – denied | Supp 11 | Z0001 | 36415; 80053; 80061; 84443; 85025 | Improper cost share |

Table 8 sets forth findings from the large group paid claim population.

| Population | Examination Review Item (Sample) | Diagnosis Code | CPT Code | Finding |
|--------------------|----------------------------------|----------------|-----------------|---------------------|
| Large group – paid | 5 | Z3009 | 99203 | Improper cost share |
| Large group – paid | 10 | N910 | 36415 | Improper cost share |
| Large group – paid | 15 | Z3009 | 99203 | Improper cost share |
| Large group – paid | 31 | Z309 | 99211 | Improper cost share |
| Large group – paid | 41 | Z206 | 99211 | Improper cost share |
| Large group – paid | 44 | Z309; Z3202 | 99201; 81025 | Improper cost share |
| Large group – paid | 65 | Z206 | 87591 | Improper cost share |

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|--------------------|----|--------|---|---------------------|
| Large group – paid | 78 | Z01419 | 82670; 84144; 82627; 84402; 84403; 84270; 84481; 84439; 82533; 83001; 83525; 82607; 82728; 80050 | Improper cost share |
|--------------------|----|--------|---|---------------------|

Table 9 sets forth findings from the large group denied claims population.

| Population | Examination Review Item (Sample) | Diagnosis Code | CPT Code | Finding |
|----------------------|----------------------------------|----------------|---|------------------------------|
| Large group – denied | 3 | Z30015 | 99203; A4267 | Improper cost share – denied |
| Large group – denied | 5 | M25562 | G0008 | Improper cost share – denied |
| Large group – denied | 25 | Z30012 | S4993; S4993; 99212 | Improper cost share – denied |
| Large group – denied | 46 | Z0001 | 86803; 85027 | Improper cost share |
| Large group – denied | 91 | S91311A | 90471; 90715 | Improper cost share |
| Large group – denied | 92 | Z1159 | 86803; 87389; 85025; 87086; 81001; 86900; 86901 | Improper cost share |
| Large group – Denied | 95 | N402 | 80074; 87389 | Improper cost share |
| Large group – Denied | 100 | Z0000 | 86706 | Improper cost share |

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|----------------------|--------|-------|-----------------|---------------------|
| Large group – Denied | 105 | Z0184 | 86900; 86901 | Improper cost share |
| Large group – Denied | Supp 5 | M6281 | 83550; 83036 | Improper cost share |

Table 10 sets forth findings from the individual denied prescription population.

| Population: | Examination review item (sample) | Diagnosis code | CPT code | Finding |
|--------------------------------------|----------------------------------|----------------|----------|-------------------------------------|
| Denied individual RHEA Prescriptions | 3 | N/A | N/A | Improper denial – not in formulary |
| Denied individual RHEA Prescriptions | 4 | N/A | N/A | Improper denial – not in formulary |
| Denied individual RHEA Prescriptions | 5 | N/A | N/A | Improper denial – not in formulary |
| Denied individual RHEA Prescriptions | 6 | N/A | N/A | Improper denial – dispensing limits |
| Denied individual RHEA Prescriptions | 20 | N/A | N/A | Improper denial – dispensing limits |
| Denied individual RHEA Prescriptions | 22 | N/A | N/A | Improper denial – dispensing limits |
| Denied individual RHEA prescriptions | 25 | N/A | N/A | Improper denial – dispensing limits |
| Denied individual RHEA Prescriptions | 38 | N/A | N/A | Improper denial – dispensing limits |
| Denied individual RHEA Prescriptions | 40 | N/A | N/A | Improper denial – dispensing limits |
| Denied individual RHEA prescriptions | 41 | N/A | N/A | Improper denial – dispensing limits |
| Denied individual RHEA prescriptions | 44 | N/A | N/A | Improper denial – not in formulary |
| Denied individual RHEA Prescriptions | 45 | N/A | N/A | Improper denial – dispensing limits |
| Denied individual RHEA Prescriptions | 55 | N/A | N/A | Improper denial – not in formulary |
| Denied individual RHEA Prescriptions | 61 | N/A | N/A | Improper denial – not in formulary |
| Denied individual RHEA Prescriptions | 64 | N/A | N/A | Improper denial – dispensing limits |
| Denied individual RHEA Prescriptions | 67 | N/A | N/A | Improper denial – dispensing limits |

| | | | | |
|--------------------------------------|----|-----|-----|------------------------------------|
| Denied individual RHEA prescriptions | 76 | N/A | N/A | Improper denial – not in formulary |
|--------------------------------------|----|-----|-----|------------------------------------|

Table 11 identifies findings from the paid small group prescription population.

| Population: | Examination review item (sample) | Diagnosis code | CPT code | Finding |
|-------------------------------------|----------------------------------|----------------|----------|---------------------|
| Paid small group RHEA prescriptions | 33 | N/A | N/A | Improper cost share |

Table 12 identifies findings from the small group denied prescription population.

| Population: | Examination review item (sample) | Diagnosis code | CPT Code | Finding |
|---------------------------------------|----------------------------------|----------------|----------|-------------------------------------|
| Denied small group RHEA prescriptions | 1 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 9 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 10 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 14 | N/A | N/A | Improper denial – not in formulary |
| Denied small group RHEA prescriptions | 21 | N/A | N/A | Improper denial – not in formulary |
| Denied small group RHEA prescriptions | 30 | N/A | N/A | Improper denial – not in formulary |
| Denied small group RHEA prescriptions | 32 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 34 | N/A | N/A | Improper denial – not in formulary |
| Denied small group RHEA prescriptions | 35 | N/A | N/A | Improper denial – dispensing limits |

| | | | | |
|---------------------------------------|----|-----|-----|-------------------------------------|
| Denied small group RHEA prescriptions | 39 | N/A | N/A | Improper denial – not in formulary |
| Denied small group RHEA prescriptions | 54 | N/A | N/A | Improper denial – not in formulary |
| Denied small group RHEA prescriptions | 58 | N/A | N/A | Improper denial – not in formulary |
| Denied small group RHEA prescriptions | 59 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 63 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 66 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 68 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 72 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 75 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 76 | N/A | N/A | Improper denial – not in formulary |
| Denied small group RHEA prescriptions | 80 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 84 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 89 | N/A | N/A | Improper denial – dispensing limits |

| | | | | |
|---------------------------------------|---------|-----|-----|-------------------------------------|
| Denied small group RHEA prescriptions | 103 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | 105 | N/A | N/A | Improper denial – dispensing limits |
| Denied small group RHEA prescriptions | Supp 12 | N/A | N/A | Improper denial – dispensing limits |

Table 13 identifies findings from the paid large group prescription sample.

| Population: | Examination review item (sample) | Diagnosis Code | CPT Code | Finding |
|-------------------------------------|----------------------------------|----------------|----------|---------------------|
| Paid large group RHEA prescriptions | 35 | N/A | N/A | Improper cost share |
| Paid large group RHEA Prescriptions | 57 | N/A | N/A | Improper cost share |
| Paid large group RHEA Prescriptions | 59 | N/A | N/A | Improper cost share |

Table 14 identifies findings from the denied large group prescription sample.

| Population: | Examination review item (sample) | Diagnosis code | CPT code | Finding |
|---------------------------------------|----------------------------------|----------------|----------|-------------------------------------|
| Denied large group RHEA prescriptions | 21 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | 29 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | 30 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | 45 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | 57 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | 62 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | 68 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | 69 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | 80 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | Supp 01 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | Supp 02 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | Supp 03 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | Supp 04 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | Supp 05 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | Supp 07 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | Supp 08 | N/A | N/A | Improper denial – dispensing limits |
| Denied large group RHEA prescriptions | Supp 09 | N/A | N/A | Improper denial – dispensing limits |