MARKET CONDUCT EXAMINATION REPORT

ON

AETNA HEALTH INC. (a Delaware corporation)
NAIC#95245

980 Jolly Road
Blue Bell, PA 19422

As of

April 6, 2010
I, Karen Weldin Stewart, Insurance Commissioner of the State of Delaware, do hereby certify that the attached REPORT ON EXAMINATION, made as of April 6, 2010 on

AETNA HEALTH INC.

is a true and correct copy of the document filed with this Department.

Attest By: [Signature]

In Witness Whereof, I have hereunto set my hand and affixed the official seal of this Department at the City of Dover.

[Signature]

Karen Weldin Stewart, CIR-ML
Insurance Commissioner

5/17/12
REPORT ON EXAMINATION

OF THE

AETNA HEALTH INC.

AS OF

April 6, 2010

The above-captioned Report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the Company as reflected in the Report.

This Report is hereby accepted, adopted and filed as an official record of this Department.

Karen Weldin Stewart, CIR-ML
Insurance Commissioner
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Dear Commissioner Stewart:

In compliance with the instructions contained in Certificate of Examination Authority Number 10.705, and pursuant to statutory provisions including 18 Del. C. §318-322, a target market conduct examination was conducted on the nuclear medicine cardiac stress imaging testing (nuclear cardiac imaging testing) pre-authorization process of:

Aetna Health Inc. (a Delaware corporation)

Hereafter referred to as “Aetna”. “Aetna Health” or “Company.”

The review was conducted to ensure Aetna Health’s nuclear cardiac imaging testing pre-authorization program is following the appropriate medical protocols in determining medical necessity and to ensure compliance with Aetna Health’s “Individual Review Plan” (IRP) as filed with the Delaware Department of Insurance and required by 18 Del. C. §332.

The examination of Aetna Health was conducted at the Company’s office located in Blue Bell, PA. Subsequent review and follow-up was conducted at the offices of the Delaware Department of Insurance (Department) or other suitable locations.

The report of review herein is respectfully submitted.
EXECUTIVE SUMMARY

A target market conduct examination was conducted on Aetna Health Inc. and covered the experience period of March 29, 2007, through April 6, 2010.

The examination was called to address the concerns and public issues brought forth through the media regarding business practices related to the pre-authorization for nuclear cardiac imaging tests. In order to address those concerns and issues on a statewide level, examinations were called on several carriers utilizing the services of MedSolutions, Inc. (MedSolutions or MSI) for their nuclear medicine cardiac diagnostic imaging pre-authorization program, which includes Aetna Health.

The purpose of the examination was to ensure Aetna’s nuclear cardiac imaging testing pre-authorization program is following the appropriate medical protocols in determining medical necessity and to ensure compliance with Aetna Health’s “Individual Review Plan” (IRP) as filed with the Delaware Department of Insurance and required by 18 Del. C. §332.

The examination generally focused on the Company’s pre-authorization practices and procedures related to nuclear cardiac imaging testing. The specific areas for the review included: Vendor Contracts, Credentialing, Company Oversight, Policy and Procedures, Forms, Complaints, Pre-Authorization Requests and Claims.

Medical necessity determination for the pre-authorization of nuclear cardiac imaging testing was initiated by Aetna Health Inc. on November 1, 2009. Prior to that date the Company, utilizing the services of National Imaging Associates (NIA), required pre-authorization for nuclear cardiac imaging tests for administrative purposes only. Several points to define the parameters of the pre-authorization process include the following:

1. Pre-Authorization for diagnostic tests is not required for In-Hospital Stays or Emergency Room care.
2. Pre-Authorization is not required for low tech cardiac tests such as: Electrocardiograms (ECGs, EKGs) and Echocardiograms performed while exercising (treadmill stress tests).
3. Policy Contracts and benefit booklets indicate certain services require pre-authorization by the Health Maintenance Organization (HMO) to determine if they are covered services. Prior authorization or precertification in the HMO contracts is a provider requirement. Unless a member signs a waiver, the provider cannot bill the member if the provider fails to obtain a pre-authorization. For members with out of network benefits, pre-authorization is a member requirement to obtain certain benefits or benefits may be reduced.

Sampling of selected files based on certain criteria was utilized to identify and verify any issues that may have occurred as a result of the nuclear cardiac imaging pre-authorization
program. The review of the pre-authorization case files was conducted in two phases. The first phase of the examination was conducted by Department’s Market Conduct Examiners to ensure contractual obligations are met; Company policy and procedures are applied in a consistent and timely manner and the Company’s IRP, as filed with the Delaware Department of Insurance and required by 18 Del. C. §332, is being followed. The second phase of the examination was conducted by clinical personnel to ensure Aetna Health’s nuclear cardiac diagnostic testing pre-authorization program is following the appropriate medical protocols in determining medical necessity.

Issues and concerns noted during the course of the examination are summarized as follows:

Pre-Authorization Nuclear Cardiac Imaging Tests Policy & Procedures

- The clinical review of the MSI Policy & Procedures for determining the medical necessity of the requested pre-authorization for nuclear cardiac imaging testing was performed by Marc Tecce, M.D., F.A.C.C., Clinical Assistant Professor of Medicine at Thomas Jefferson University School of Medicine. Dr. Tecce concluded as follows: “the MSI Guidelines for cardiac stress tests are based on accepted literature and science and appear to be reasonable and in agreement with those proposed by the American College of Cardiology Task Force in many but not all areas. There are, however, important differences that exist primarily in ordering the first test in intermediate and high risk patients as compared to the ACC/AHA Guidelines. First, the MSI guidelines that require treadmill stress testing without imaging to always be performed, if possible, prior to stress testing with imaging are not appropriate for intermediate and high risk patients. In these patients stress testing with imaging is frequently the appropriate first test. Second, the MSI guidelines that require echo imaging to always be performed prior to nuclear imaging are not appropriate for intermediate and high risk patients. In these patients nuclear imaging is frequently the appropriate first test. In intermediate and high risk patients the clinical evaluation which is performed by the patient’s physician or cardiologist is critical in determining which initial test is appropriate. The MSI guidelines dispense with critical physician judgment in these situations at the expense of appropriate patient care.”

Pre-Authorization Nuclear Cardiac Imaging Test Denials

- The Department is concerned that physician reviewers with expertise in Cardiology are not being consulted in the medical necessity determinations for nuclear cardiac testing, especially in cases submitted by Cardiologists. A cardiologist was not consulted in 14 of the 27 denied requests for pre-authorization of nuclear cardiac imaging testing. Two of the 14 not reviewed by a cardiologist were submitted by cardiologists.
• Applying the American College of Cardiology Foundation (ACCF) criteria to the 27 denied pre-authorization requests resulted in a determination that a nuclear stress test was appropriate in 4 requests (14.8%). In addition, 2 requests were initially denied and subsequently approved upon appeal. Both requests met ACCF criteria initially and a nuclear stress test should have been approved upon submission. In conclusion, the application of the ACCF criteria would have determined a nuclear stress test appropriate in 6 requests (4+2) or 22% of the initial 27 denied requests.

For each of the cited Concerns in the report, recommendations have been made to address the Concerns noted by the examiners.

**INTRODUCTION**

The Market Conduct Examination Report generally notes only those items to which the Department, after review, takes exception. An exception is any instance of Company activity that does not comply with an insurance statute or regulation. Exceptions contained in the Report may result in imposition of penalties. Generally, practices, procedures, or files that were reviewed by Department examiners during the course of an examination may not be referred to in the Report if no improprieties were noted. However, the Examination Report may include management recommendations addressing areas of concern noted by the Department, but for which no statutory exception was identified. This enables Company management to review these areas of concern in order to determine the potential impact upon Company operations or future compliance.

In performing this examination, the Delaware Department of Insurance selected specific areas of the Company’s operations for review. This report only covers the areas of the Company’s operations within the scope of this examination.

Throughout the course of the examination, Company officials were provided memo requests for additional information to clarify specific findings or apparent exceptions. Conferences were conducted with Company officials to discuss and review the various exceptions identified by the examiners throughout the course of the examination process.

The courtesy and cooperation extended by the Officers and employees of the Company during the course of the examination is acknowledged.

**SCOPE OF EXAMINATION**

The Market Conduct Examination was conducted pursuant to the authority granted by 18 Del. C. §§ 318-322 and covered the experience period of March 29, 2007, through April 6, 2010, unless otherwise noted. The purpose of the examination was to ensure the Company’s
nuclear cardiac imaging testing pre-authorization program is following the appropriate medical protocols in determining medical necessity and to ensure compliance with Aetna Health’s “Individual Review Plan” (IRP) as filed with the Delaware Department of Insurance and required by 18 Del. C. §332 in addition to 18 Del. Admin. Code 1403, Managed Care Organizations.

The examination focused on the Company’s pre-authorization practices and procedures related to nuclear cardiac imaging testing. The Company was requested to identify the universe of files for each segment of the review. Based on the universe sizes identified, random sampling was utilized to select the files reviewed for this examination.

During the course of the examination, for control purposes, some of the review segments identified in this Report may have been broken down into various sub-categories by line of insurance or Company administration. These specific sub-categories, if not reflected individually in the Report, would be included and grouped within the respective general categories of the Examination Report.

COMPANY HISTORY AND LICENSING

Aetna Health Inc. (a Delaware corporation) ("AHI-DE"), formerly known as Aetna Health Inc. (DE), was incorporated on October 15, 1985 and was a wholly-owned subsidiary of Aetna Inc. ("Aetna"). Effective September 30, 2003, Aetna contributed all of the capital stock of AHI-DE to Aetna Health Holdings, LLC, whose ultimate parent is Aetna.

AHI-DE was domiciled in Delaware and its statutory home office address was 980 Jolly Road, Blue Bell, Pennsylvania, 19422. AHI-DE operated as a health maintenance organization until June 30, 2010, on which date AHI-DE merged with and into Aetna Health Inc, a Pennsylvania corporation (“AHI-PA”).

The separate existence of AHI-DE ceased on the effective date of the Merger, and all assets of AHI-DE became vested in AHI-PA. Upon the effective date of the merger, AHI-PA became responsible and liable for all liabilities and obligations of AHI-DE and took responsibility for all business of AHI-DE. AHI-PA has no plans to sell the assets of AHI-DE.

AHI-DE and AHI-PA are both direct, wholly-owned subsidiaries of Aetna Health Holdings, LLC. Aetna Health Holdings, LLC is a direct, wholly-owned subsidiary of Aetna Inc. Upon the effective date of the merger, AHI-PA will remain a direct, wholly-owned subsidiary of Aetna Health Holdings, LLC.

On their 2009 annual statement filed with the Department, Aetna Health Inc. (a Delaware corporation) reported health premium earned for all lines of business as $43,688,127 and total member months of 101,264.
PRE-AUTHORIZATION NUCLEAR CARDIAC IMAGING PROGRAM CONTRACTS

A. Vendor Contract Agreements
The Company was requested to provide all vendor agreements and contracts between the Company and MedSolutions (MSI), regarding claim review services related to the approval of nuclear cardiac imaging tests determined to be medically necessary by a policyholder’s physician. These agreements and contracts included:

- The parameters established by Aetna Health regarding the approval or declination of such tests for which approval is required, and
- The credentialing requirements for those professionals who ultimately approve or deny such diagnostic tests.

The Company contracted for its radiology management services with National Imaging Associates (NIA) in the initial period of the experience period and later contracted with MedSolutions (MSI) on November 1, 2009. The Company provided both the NIA contract and the MSI contract.


Both the NIA and MSI contracts contained the usual sections of an agreement including: obligations of the parties, the term of the agreement, termination of agreement provisions, program and utilization management details, reporting sections and the compensation and financial sections.

Effective May 1, 2007, to November 1, 2009, NIA provided diagnostic radiology pre-authorization services for the Company’s managed health care programs for outpatient, non-emergency, Magnetic Resonance Imaging (MRI), Magnetic Resonance Angiography (MRA), Positron Emission Tomography (PET) and Nuclear Cardiology radiology health care services. Although medical necessity determination was required for the MRI/MRA, PET and Computed Tomography Angiography (CTA) pre-authorization services, medical necessity determination was not part of the pre-authorization process for nuclear cardiac imaging services. NIA did not make nuclear cardiac medical necessity determinations. NIA merely acted in an administrative capacity of documenting the nuclear cardiac imaging pre-authorizations.
Effective November 1, 2009, MSI was contracted to provide diagnostic radiology pre-authorization services for the Company’s managed health care programs for outpatient, non-emergency, MRI, MRA, PET and Nuclear Cardiology radiology health care services. Medical necessity determination for the nuclear cardiac imaging pre-authorization process was included in the MSI contract.

Both NIA and MSI did not and do not provide radiology management services for Aetna Health’s Computed Tomography (CT) program. Aetna Health’s CT imaging diagnostic program is handled through its own network of providers. Additionally, MSI does not handle the formal appeal process of an adverse determination of any pre-authorization request; the appeal process is the responsibility of Aetna Health.

The parameters of the pre-authorization for diagnostic test process include the following:

1. Pre-Authorization for diagnostic tests is not required for In-Hospital Stays or Emergency Room care.
2. Pre-Authorization is not required for low tech cardiac tests such as: Electrocardiograms (ECGs, EKGs) and Echocardiograms performed while exercising (treadmill stress tests).
3. Policy Contracts and benefit booklets indicate certain services require pre-authorization by the Health Maintenance Organization (HMO) to determine if they are covered services. Prior authorization or precertification in the HMO contracts is a provider requirement. Unless a member signs a waiver, the provider cannot bill the member if the provider fails to obtain a pre-authorization. For members with out of network benefits, pre-authorization is a member requirement to obtain certain benefits or benefits may be reduced.

In the compensation section of both contracts, the Company pays a per member/per month fee. The contracts contain performance guarantees in which the vendor’s compensation is reduced by set percentage amounts if:

1. The average speed to answer customer and provider calls exceeds a set benchmark.
2. The rate at which customers and providers abandon calls exceeds a set rate.
3. Provider satisfaction surveys do not meet benchmark criteria.
4. Utilization Management Standards of pre-authorization turn-around times (TAT) and adverse determination reversal benchmarks are not met.

The vendor contracts warrant that compensation to personnel making patient management decisions cannot provide incentives or remuneration, directly or indirectly, to persons making inappropriate patient management or utilization review decisions that result in underutilization or compensation that is based on the quantity, frequency or percentage of denials. This provision satisfies the requirements of 18 Del. Admin. Code 1403 §11.4.4.
Market Conduct Examination on Aetna Health Inc.

The contracts contained a provision that the vendors must meet or exceed all Company standards and the standards and requirements of the National Committee for Quality Assurance (NCQA) and the American Accreditation Health Commission/Utilization Review Accreditation Commission (URAC).

The vendor contracts, the parameters of vendor responsibility in the pre-authorization process and the credentialing of the practitioners involved in the decision making process of medical necessity determination were reviewed.

No exceptions were noted.

**B. Company Oversight & Compliance Procedures**

The Company was requested to provide a summary of the Company’s oversight of MedSolutions including all reports, audit reports, corrective action plans, records and documentation between the Company and MedSolutions. The documentation was received and reviewed to ensure the Company was appropriately monitoring the vendor’s compliance with the provisions and terms of the contracts and applicable Delaware statutes and regulations.

Prior to the Aetna Health’s agreement with MSI to manage the pre-authorization diagnostic testing program in Delaware, the parent company, Aetna, had agreements with MSI in other areas of the United States. In addition to the Company’s National Delegated Utilization Management Policy, the Company provided some of the monitoring and reporting documents utilized in the evaluation of the MSI pre-authorization process expansion into the Delaware market. These documents included: Monthly, Quarterly and Annual review results of the National Committee for Quality Assurance (NCQA) and Centers for Medicare & Medicaid Services (CMS) audit scores.

An internal delegation oversight committee meets quarterly to review the various reports to ensure the standards of the National Committee for Quality Assurance (NCQA), American Accreditation HealthCare Commission (URAC), Centers for Medicare & Medicaid Services (CMS), other accrediting agencies, and state and federal regulations, are being followed.

No exceptions were noted.
NUCLEAR CARDIAC IMAGING TESTING PRE-AUTHORIZATION POLICY AND PROCEDURES

The Company was requested to provide all policy and procedures utilized by MedSolutions, specifically applicable to the approval or denial of nuclear cardiac imaging tests determined to be medically necessary by a policyholder’s physician.

MedSolution’s nuclear cardiac imaging pre-authorization program began on November 1, 2009.

The Company provided policy and procedures utilized by MSI for nuclear cardiac imaging diagnostic tests. Medical and Clinical procedures utilized in the decision making process to determine medical necessity were detailed, and the medical reasoning and references utilized to develop the procedures were indicated in the documents provided. Additionally, the Company provided documents detailing established procedures and guidelines related to timeline requirements and the administration of various processes involved in the nuclear cardiac diagnostic imaging pre-authorization program.

The procedures and guidelines were reviewed in 2 phases. Phase 1 is the administrative review and Phase 2 is the clinical review.

A. Phase 1 – Policy and Procedures - Administrative Review

The first phase was conducted by Department market conduct examiners to ensure guidelines were in place and being followed in a uniform, consistent and timely manner and were not specifically prohibited by statute or regulation.

As provided by the provisions of 18 Del. C. §332, all health carriers must establish and maintain an Internal Review Process (IRP) approved by the Insurance Commissioner. An IRP is a procedure for an internal review of an adverse determination or denial of a service or claim. The timeline criteria for an IRP are summarized as follows:

- Written Notice of the internal review procedure- must be given to covered persons annually and following any adverse determination or denial of a service or claim.
- Requests for review of adverse determinations must be submitted orally or written within 30 days of receipt by the covered person of written notice of an adverse determination.
- Prompt response to written grievances. - The IRP shall provide that within 5 business days of receipt of a written grievance, the carrier shall provide written acknowledgement of the grievance.
- Speedy review of grievances. – The IRP shall require that all grievances be decided no more than (i) 72 hours after the receipt of all necessary information relating to an
emergency review, (ii) 30 days after the receipt of all necessary information in the case concerning whether a requested benefit is covered pursuant to the contract, and (iii) 45 days after the receipt of all necessary information in all other instances.

- Written notice of decisions.- The IRP shall provide that within 5 days after a grievance is decided; the insured shall be provided with written notice of the disposition of that grievance.
- Manner of notice of decisions - Written notice of the review decision shall be deposited in the mail, within 48 hours after the receipt of all information necessary to complete the review.

MedSolution’s Utilization Management guidelines detailed the benchmark timelines for decision making of pre-authorization requests for urgent pre-authorizations and non-urgent pre-authorizations. The benchmark timelines are summarized as follows:

Pre-Authorization Medically Urgent Timelines:
- Pre-authorization of medically urgent decisions is made within 1 business day of receipt of all necessary information or 72 hours from receipt of request.

Pre-Authorization Routine, Non-Urgent Timelines:
- Pre-authorization decisions of routine, non-urgent requests are based on state regulations that supersede all other timeliness requirements.

The benchmarks related to the timeline requirements established for various processes of the pre-authorization diagnostic imaging program met or exceeded the standards set by various accrediting bodies such as: American Accreditation Health Commission/Utilization Review Accreditation Commission (URAC), NCQA and 18 Del. C. §332.

No exceptions were noted.

**B. Phase 2 – Policy and Procedures - Clinical Review**

The second phase of the review was conducted by Marc A. Tecce, M.D., F.A.C.C, Clinical Assistant Professor of Medicine, Thomas Jefferson University School of Medicine, Philadelphia, Pennsylvania. The clinical review of the MedSolutions Policy and Procedures involved two tasks. The first task was the review of MedSolutions Policy and Procedures in determining medical necessity and the appropriateness of the criteria utilized in making that determination. The second task was to review all denied files utilizing the medical criteria of the American College of Cardiology to determine whether a denial for the requested service would have resulted. The second task of the clinical review is addressed in the “Denied Nuclear Cardiac Imaging Tests” Section of the Report.
Dr. Tecce’s comments and review are as follows:

“The MedSolutions Cardiac Imaging Guidelines published in 2009 (MSI) was the subject of this review. The first step in the process of reviewing denials for certain cardiac imaging studies was to carefully review the criteria that MSI employs when considering requests for cardiac imaging studies. The first part of this review concerns denials for nuclear medicine cardiac stress imaging studies. MSI has a contractual agreement with Aetna Health review requests for imaging procedures (the concentration was on cardiac imaging) and either approve or deny such procedures. MSI’s review of these cases (requests) is initially conducted by nurses and is guided by the imaging criteria/guidelines that MSI published most recently in 2009. The nurse either has the option of approving the requested study if they feel that the proposed test meets criteria and is appropriate or alternatively can send the request to a physician for further review if the nurse feels the study may be inappropriate. The physician then can either approve the study or issue a denial if it is not felt to meet their guidelines as stated.

To best understand this process and what is involved, a brief explanation of cardiac stress testing is helpful. Stress tests are used to aid in the diagnosis and treatment of cardiovascular disease, particularly in patients with coronary artery atherosclerosis (also known as hardening of the arteries or blockage in the coronary arteries). The coronary arteries supply blood to the heart muscle, and atherosclerosis is a complex process that results in plaque accumulation lining the walls of the coronary arteries leading to obstruction and decreased blood flow. Atherosclerosis kills more Americans each year than any other disease.

Stress testing is a tool utilized by physicians to help diagnose and treat patients with coronary artery disease. There are several ways in which stress tests can be performed and several different imaging modalities that can be utilized during these tests. The first question for the physician when considering a stress test is “Can the patient exercise or walk sufficiently on a treadmill?” The most basic form of stress test, also known as an EKG Treadmill Stress Test, combines exercise on the treadmill with continuous monitoring of the patient's twelve lead electrocardiogram. If patients have coronary heart disease (atherosclerosis) then their electrocardiogram may exhibit changes during exercise, when the heart rate increases, that are consistent with blockage of the coronary arteries. This type of EKG Treadmill Stress Test in its basic form does not incorporate any imaging of the heart. These studies evaluate the patient's electrocardiogram during exercise and recovery (the period of time immediately post exercise) as well as evaluating their heart rate and blood pressure response to exercise and their exercise capacity.
There is significant clinical information that can be obtained from these basic Treadmill EKG Stress Tests such as exercise tolerance, heart rate and blood pressure response to exercise, the presence or absence of arrhythmias during exercise, and whether or not the patient experiences exercise induced symptoms such as chest pain. The diagnostic accuracy of EKG Treadmill Stress Tests without any additional imaging of the heart for the detection of coronary artery disease has a sensitivity of 68% and a specificity of 77%. This means that 68% of patients with significant coronary artery disease will have an abnormal EKG response to exercise and that 77% of patients with a negative test will not have significant disease.\(^1\) The diagnostic accuracy of stress testing when combined with nuclear imaging increases both the sensitivity and specificity for the detection and exclusion of coronary artery disease to approximately 80% to 85% which is a substantial difference.\(^2\)\(^3\)

Exercise Nuclear Stress Testing involves having the patient exercise on a treadmill (the traditional EKG Treadmill Test) and at peak exercise the patient is injected through a peripheral intravenous catheter with a nuclear imaging isotope that is then taken up by the heart muscle. The patients subsequently undergo imaging by cameras that are able to reconstruct images of the heart by acquiring the emitted energy from the injected isotope and using computer generated images of the heart muscle to assess myocardial blood flow. If there are areas of the heart that do not take up the tracer (isotope) equally to adjacent heart muscle then there is a high likelihood that the coronary arteries that supply these areas have significant narrowing due to atherosclerotic plaque accumulation.

Stress testing can also be done using ultrasound imaging of the heart in place of the nuclear imaging. These studies are referred to as stress echocardiograms and they also increase the diagnostic accuracy of stress testing over EKG treadmill similar to nuclear stress tests. Patients again exercise on a treadmill but instead of

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being injected with an isotope at peak exercise the patients' hearts are imaged with ultrasound. If the patient has significant coronary narrowing due to atherosclerosis, the heart exhibits an abnormal contraction pattern that is detected by ultrasound imaging during peak exercise at high heart rates. The advantages to stress echocardiography as opposed to nuclear imaging are that the study does not require placement of an intravenous catheter, is less time consuming, does not involve exposure to ionizing radiation, and is typically done at an overall lower cost.

As a modality, exercise nuclear stress testing has been considered the standard for stress imaging for the better part of the last three decades. Nuclear cardiology and the training of physicians in cardiovascular fellowship programs in this discipline has been an integral part of the core curriculum of these training programs for years, while stress echocardiography is a newer, more recently employed method of stress imaging. As a result of this, more cardiologists have been trained over the years in the performance and interpretation of nuclear stress studies given its’ longevity as an integral component of cardiovascular fellowship training. In addition, more clinical studies have been performed in this time period evaluating the accuracy, safety, and utility of nuclear studies as compared to stress echocardiography which have consistently demonstrated the proven effectiveness and clinical usefulness of nuclear stress imaging in evaluating and treating patients with cardiovascular disease. This wealth of clinical data has provided a sound scientific foundation upon which the guidelines concerning the appropriateness of nuclear stress testing as published the American College of Cardiology which has been previously referenced are based. Newer software has been developed within the last few years to eliminate some of the problems that have existed previously in interpreting nuclear stress studies which centered around other organs in the body interfering with the imaging process (termed attenuation correction) and the advances in computer generated imaging which have revolutionized modern medical imaging as a whole have improved image quality and taken it to new levels not seen previously.

If patients are unable to exercise on a treadmill, then stress testing can be performed by administering certain agents that can simulate some of the physiologic effects of exercise but in all of these cases imaging (either echocardiography or nuclear imaging) is required. Coronary blood flow and myocardial perfusion imaging to detect underlying coronary artery disease can also be assessed by cardiac MRI and cardiac PET Scanning, although these modalities are also expensive and currently not as widely available or utilized to the extent of nuclear stress testing or stress echocardiography.

In 2009 the American College of Cardiology Foundation along with several other
societies including the American Heart Association and the American College of Radiology published appropriate use criteria for cardiac radionuclide imaging (nuclear stress testing). These guidelines had been published four years prior to this report but the revised guidelines of 2009 were amended or updated as clearly stated in the abstract portion of the document, "to reflect changes in test utilization and new clinical data, and to clarify when possible areas where some ambiguity or uncertainty existed in the prior published guidelines". This report (heretofore referred to as the ACCF Guidelines) was formulated by the American College of Cardiology Foundation Appropriate Use Task Force which consisted of a panel of physicians from various disciplines of medicine including cardiologists, radiologists, and emergency room physicians. As stated in the preface section of this report, "Appropriate use criteria publications reflect an ongoing effort by the ACCF (American College of Cardiology Foundation) to critically and systematically create, review and categorize clinical situations where diagnostic tests and procedures are utilized by physicians caring for patients with cardiovascular disease." This report also states that the Foundation believes that "A careful blending of a broad range of clinical experiences and available evidence based information will help guide a more efficient and equitable allocation of health care resources in cardiovascular imaging."

The MSI Guidelines for cardiac imaging published in 2009 as well as a report authored by Greg Allen, M.D., Chief Medical Officer of MSI dated May 19, 2010, were reviewed. In his report, Dr. Allen addresses some of the differences that exist between the MSI guidelines and the ACCF guidelines. Some of the points stated by Dr. Allen are correct in that there are many similarities between these two documents and that they both rely on much of the same science that has evolved around the use of stress nuclear myocardial imaging in patients with known or suspected heart disease. The MSI criteria do reference articles in the medical and cardiovascular literature that have been previously published regarding the recommendations and guidelines for cardiac stress testing, and for the most part these are well done accepted studies in peer review journals that do form much of the basis for current practice guidelines. The task force that produced the ACCF 2009 Guidelines to which was previously referred obviously had all of the data and results from these same studies that were utilized and

Market Conduct Examination on Aetna Health Inc.

referenced by the MSI criteria as well as all other relevant articles that have been published prior to 2009 on which to base their guidelines. In his comparison of these two documents (the MSI criteria and the ACCF Guidelines), Dr. Allen states that the ACC and the AHA have relied on a modified Delphi (expert opinion) process to develop their guidelines rather than solely from the evidence based literature that might apply to the indications and performance of these studies. There is disagreement with Dr. Allen on this point, as the ACCF document clearly states that they have used all of the existing literature and evidence based studies available in combination with input from experts, not just from the field of cardiology, but also in the field of radiology and nuclear medicine. While it is true that the ACCF guidelines do use a Delphi process with some of the recommendations derived from a consensus opinion of these experts, these opinions are clearly formulated to reflect the evidence based data available to this task force. All of the same studies and data on exercise nuclear stress testing to date were available to the ACCF Task Force from which to formulate the recommendations and guidelines so that the ACCF Guidelines are clearly based on the existent evidence based data as well as input from an expert panel to arrive at their ultimate recommendations; they are not solely opinions from experts without a scientific foundation.

Dr. Allen has also stated that the MSI Guidelines are reviewed and updated on an annual basis, while years can separate the revised guidelines from the ACC and AHA. While this is true, most of the studies and data on exercise stress testing for which the MSI and ACCF criteria are based upon are older studies as there has not been much in terms of new data in the area of stress testing that would contradict or disprove the large amount of data that has been accumulated in the last several years concerning exercise stress testing with imaging. Although the ACC and AHA Guidelines are updated on an every three to four year basis, this certainly does not affect the accuracy, validity, or completeness of these guidelines once published. Dr. Allen also states that the MSI criteria appear in a single document posted on the MSI website that is easily available to all physicians, and that the ACCF Guidelines are not as readily accessible and are scattered across multiple publications. While this indeed may also be true, ease of use of a document on the MSI website is not relevant in determining which guidelines should be followed in the best interest of the patient.

Dr. Allen also stated in his report that the largest difference between the two sets of guidelines involves the most appropriate first test in evaluating certain patients and I concur that it is in this area where the guidelines have distinct and important differences. In patients with established heart disease or prior myocardial infarctions with a change in symptoms, patients with arrhythmias or congestive heart failure, patients with significant valvular heart disease, patients with coronary stents or previous bypass grafting surgery with a clinical change in
symptoms, patients with abnormal electrocardiograms that make EKG treadmill stress tests unhelpful, and in hospitalized patients with acute cardiac problems, the MSI and ACCF Guidelines are very similar, and in these areas the MSI criteria and guidelines for imaging are reasonable. It is difficult in trying to establish a diagnosis in some patients who are symptomatic due to a potential underlying cardiac abnormality. While some patients present with symptoms that are "classic" for underlying heart disease; many patients have symptoms that are atypical and difficult to interpret. Many studies have confirmed that women in particular have very atypical symptoms as presenting features of heart disease. For that reason, the history and physical examination in these patients is critical in trying to decide the first appropriate test or procedure needed to establish a diagnosis. No one is better suited to order that first test than the physician or care provider treating that patient who has been able to best assess the patient clinically.

Great strides have been made in the past 25 years trying to identify established risk factors for developing atherosclerotic cardiovascular disease. Based on extensive review of epidemiologic studies, the National Heart Lung and Blood Institute published a revised report in 2002 on Detection, Evaluation and Treatment of High Blood Cholesterol in Adults (Adult Treatment Panel III). This report focused on determining the absolute risk of developing coronary heart disease in patients over a ten year span (ten year risk of experiencing a hard cardiovascular event such as a myocardial infarction or stroke), and did so by employing established risk factors including hypercholesterolemia, smoking, hypertension, family history of cardiovascular disease and the presence of diabetes. The ACCF guidelines for radionuclide imaging have used these risk factor profiles in arriving at some of their recommendations regarding the use of exercise nuclear stress tests, agreeing that the test is appropriate in patients with an intermediate or high risk of developing coronary heart disease based on their risk factors even in the absence of symptoms.

Some of the differences in the MSI criteria and the ACCF criteria lie in the decision about a first test in patients suspected of having cardiovascular disease with the ACCF Guidelines relying more heavily on the patient's ten year risk of developing heart disease as per the Adult Treatment Panel III report. The MSI Guidelines state that if possible the first test should always be an exercise treadmill stress test, and in certain low risk patients without classic or typical

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symptoms this is reasonable. In the intermediate and high risk patients, however, stress testing with imaging such as nuclear stress tests is appropriate and indicated due to the higher prevalence of disease in these patients. In women with atypical symptoms and non-specific electrocardiograms (estrogen can affect certain parts of the electrocardiogram) that stress testing with imaging is better given the non-specific baseline EKG abnormalities which can affect exercise treadmill stress tests and may be a better first line test in these situations. Studies have shown that the EKG response to exercise is suboptimal in women particularly those who are premenopausal with a low to intermediate pretest probability of having coronary heart disease, and stress testing with imaging should be considered in those patients. As previously stated the addition of imaging either with ultrasound or nuclear imaging greatly enhances the ability of the test to establish a diagnosis as compared to treadmill exercise stress testing without imaging.

Dr. Allen in his report also brings out the important point that there are several ways of doing stress tests such as stress echocardiography (treadmill stress tests with ultrasound) and that the ACC has yet to publish guidelines that would determine which type of stress testing would be helpful as a first test in certain patients. While this is true, several things must be taken into consideration concerning this important point. Stress PET imaging is costly and not widely available for routine clinical use. While stress echocardiography is sometimes a reasonable alternative, the treating physician may have reasons for choosing one study over another such as patients body habitus (may not be suitable for ultrasound imaging), or the patient may have other conditions that prohibit adequate ultrasound imaging such as COPD. There also exist geographic differences in the availability of quality centers that provide both forms of testing. It may not be reasonable to expect that the ACC could simply provide a "cookbook" approach to ordering certain tests for patients, particularly when there are several viable options.

Physicians clearly should be aware of the options that exist when ordering such tests, and should be familiar enough with these options to order the test they feel most appropriate for a given patient. There is disagreement with the MSI guidelines statement that when a cardiac stress test with imaging is required, a stress echo should be the initial test. Such a broad position does not take into consideration many of the clinical variables that need to be evaluated on a patient by patient basis to decide which first test is appropriate and stress echo as a modality certainly has limitations. A review of stress echocardiography found that

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in 37% of patients having the study they were not able to adequately visualize the heart completely.  

These points emphasize the importance in the role of the treating physician who has examined the patient and taken a history in determining the most appropriate test if cardiovascular disease is suspected. When patients present with symptoms suggestive of a possible cardiac ailment such as chest pain, the description and characteristics of the pain is extremely important as there is literature to support that more "classic" cardiac symptoms generally increase the patient's pre-test probability of having an abnormal stress test, placing them in a higher risk category. Much of this important clinical information can potentially get lost in the process of sending requests to agencies that take over the decision making concerning what type of test is appropriate or indicated hence there are concerns involving the need for prior authorization. Proponents of such policies would argue that it reduces costs and limits some abusive practices in terms of cardiovascular testing, although there are other effective methods for achieving those same goals while not restricting the ability of the treating physician to order what tests he or she feels is most appropriate for their patients.

Radiation exposure for patients is something that physicians need to be keenly aware of when ordering certain tests. Particularly in younger patients, healthcare providers must take a careful history from patients pertaining to what prior tests they have had that have involved exposure to radiation such as CT Scans, plain x-rays, nuclear medicine studies, and radiation treatment of certain disease processes. Dr. Allen is correct in that as a community, physicians have not done a good enough job in screening patients for prior radiation exposure and in using that information to guide them in ordering tests that may involve exposure. While it is true that the ACCF Guidelines do not give consideration to prior radiation exposure, it is also true that MSI takes no radiation history into account when processing a request for nuclear stress tests. While Dr. Allen states that the reason for limiting the use of nuclear stress tests is to protect the patient from ionizing radiation, MSI approves such studies on a routine basis with absolutely no history or awareness of the patients prior radiation exposure. The treating physicians are responsible for knowing those important details when ordering certain tests particularly in younger patients who are more prone to the possible devastating effects of high doses of ionizing radiation over time.

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In summary, the MSI Guidelines for cardiac stress tests are based on accepted literature and science and appear to be reasonable and in agreement with those proposed by the American College of Cardiology Task Force in many but not all areas. There are, however, important differences that exist primarily in ordering the first test in intermediate and high risk patients as compared to the ACC/AHA Guidelines. First, the MSI guidelines that require treadmill stress testing without imaging to always be performed, if possible, prior to stress testing with imaging are not appropriate for intermediate and high risk patients. In these patients stress testing with imaging is frequently the appropriate first test. Second, the MSI guidelines that require echo imaging to always be performed prior to nuclear imaging are not appropriate for intermediate and high risk patients. In these patients, for the reasons stated above, nuclear imaging is frequently the appropriate first test. In intermediate and high risk patients the clinical evaluation which is performed by the patient’s physician or cardiologist is critical in determining which initial test is appropriate. The MSI guidelines dispense with critical physician judgment in these situations at the expense of appropriate patient care. As a member of the American College of Cardiology, I feel that their appropriate use criteria and practice guidelines in many aspects of cardiovascular medicine are for the most part well written and carefully constructed documents based on available evidence based medicine as well as input from experts in the field of cardiovascular medicine. With respect to the ordering of diagnostic tests, the treating physician who has examined the patient, taken an extensive history, and formulated a clinical impression is the one most qualified to order the appropriate test for that patient for reasons that have been clearly articulated. The quality of care can only be enhanced when the history and physical examination are used to their fullest capacity by the treating physician to determine the appropriate test to be performed.”

As part of the clinical review, the following concerns were noted:

**CONCERN:** The Department is concerned with MedSolutions procedure CD1.3 Stress Testing which states: “Whenever possible, the initial stress test should be an exercise treadmill test.” Dr. Tecce states that “… in certain low risk patients without classic or typical symptoms this is reasonable. In the intermediate and high risk patients, however, stress testing with imaging such as nuclear stress tests is appropriate and indicated due to the higher prevalence of disease in these patients. While that may be appropriate in some low risk patients, the medical necessity determination for a nuclear cardiac imaging test should be based on the criteria of the ACCF and the treating physician’s first hand clinical knowledge of his patients and their history.

**CONCERN:** MSI has expressed their concern with regard to the harmful effects of radiation exposure and utilized that as one of their primary reasons for creating criteria for approving (denying) requests for nuclear imaging testing that are more stringent than the ACCF
Guidelines. The DOI does not believe that MSI’s position regarding radiation exposure justifies utilizing criteria that are more restrictive than the ACCF guidelines. As Dr. Tecce indicated in his report:

“Radiation exposure for patients is something that physicians need to be keenly aware of when ordering certain tests. Particularly in younger patients, healthcare providers must take a careful history from patients pertaining to what prior tests they have had that have involved exposure to radiation such as CT Scans, plain x-rays, nuclear medicine studies, and radiation treatment of certain disease processes. Dr. Allen is correct in that as a community, physicians have not done a good enough job in screening patients for prior radiation exposure and in using that information to guide them in ordering tests that may involve exposure. While it is true that the ACCF Guidelines do not give consideration to prior radiation exposure, it is also true that MSI takes no radiation history into account when processing a request for nuclear stress tests. While Dr. Allen states that the reason for limiting the use of nuclear stress tests is to protect the patient from ionizing radiation, MSI approves such studies on a routine basis with absolutely no history or awareness of the patients prior radiation exposure. The treating physicians are responsible for knowing those important details when ordering certain tests particularly in younger patients who are more prone to the possible devastating effects of high doses of ionizing radiation over time.”

**Recommendation:** It is recommended that the Company revise its contract with MSI to ensure that the criteria they are using with regard to reviewing and approving requests for nuclear cardiac imaging testing is not more restrictive than criteria established by the ACCF or other recognized professional medical specialty organizations. In addition, once the information provided in the physician’s request meets ACCF criteria, the Company should promptly approve the request for nuclear cardiac imaging testing.

**PRE-AUTHORIZATION REQUEST FOR NUCLEAR CARDIAC IMAGING TESTING**

The Company was requested to provide a list of all pre-authorization requests for nuclear cardiac imaging tests. The Company provided separate listings for National Imaging Associates (NIA) and MedSolutions (MSI). The lists identified approved and denied nuclear cardiac imaging pre-authorization requests.

For review and reporting purposes, the listings were categorized as follows:

A. NIA Nuclear Cardiac Imaging Tests
   1. NIA Nuclear Cardiac Imaging Tests Approved
B. MSI Nuclear Cardiac Imaging Tests
   1. MSI Nuclear Cardiac Imaging Tests Denied
      a. Administrative Review
      b. Clinical Review
   2. MSI Nuclear Cardiac Imaging Tests Approved

A. NIA Nuclear Cardiac Imaging Tests

National Imaging Associates (NIA) was the vendor for the Company’s pre-authorization for
diagnostic radiology tests during the experience period of March 29, 2007 through November
1, 2009. Medical necessity determination was not part of the pre-authorization process for
nuclear cardiac imaging services during that time frame. Since NIA merely acted in an
administrative capacity of documenting the nuclear cardiac imaging pre-authorizations, the
Company did not have any denials to report. The Company identified a universe of 196
approved nuclear cardiac imaging requests.

1. NIA Nuclear Cardiac Imaging Tests Approved

Since no medical necessity review was performed for nuclear cardiac pre-authorizations
during the experience period of March 29, 2007 through November 1, 2009, all requests for
nuclear diagnostic tests were documented, acknowledged and considered approved.

The Company identified a universe of 196 approved nuclear cardiac imaging tests. A random
sample of 50 approved tests files was requested, received and reviewed. The files were
reviewed to ensure the Company’s standard procedures and guidelines were being followed
and for compliance with 18 Del. C. §332, Arbitration of disputes involving health insurance
coverage.

No exceptions were noted.

B. MSI Nuclear Cardiac Imaging Tests

Aetna contracted with MSI on November 1, 2009 to provide the utilization management
program for the pre-authorization of nuclear cardiac imaging testing program. Prior to that
date, the Company required pre-authorization for nuclear cardiac imaging tests for
administrative purposes only. The Company was requested to provide a list of all pre-
authorization requests submitted for nuclear cardiac imaging tests. The Company provided a
list of 85 pre-authorization requests during the experience period.
The following table is a synopsis of the 85 MSI Pre-Authorization Requests for Nuclear Cardiac Imaging Testing.

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Requests</td>
<td>85</td>
<td>100%</td>
</tr>
<tr>
<td>Requests Denied</td>
<td>27</td>
<td>31.8%</td>
</tr>
<tr>
<td>Requests Approved</td>
<td>58</td>
<td>68.2%</td>
</tr>
</tbody>
</table>

1. MSI Nuclear Cardiac Imaging Tests Denied

A universe of 27 requests for nuclear cardiac imaging tests was identified as denied. All 27 denied case files were requested, received and reviewed. The files were reviewed in two phases, an administrative review and a clinical review. The first phase was conducted by Department examiners to ensure the Company was following their Diagnostic Imaging Procedures and their Utilization Management Program procedures for appeals in a consistent and timely manner and for compliance with the following Delaware Statutes and Regulations:

18 Del. C. §6417, Appeal Reviews, Independent Utilization Review Organizations;
18 Del. Admin. Code 1403, Health Maintenance Organizations;
18 Del. C. §332, Arbitration of disputes involving health insurance coverage and

The second phase was conducted by clinical personnel to ensure the policies and procedures utilized in the determination of medical necessity for the nuclear cardiac diagnostic imaging approval process are medically appropriate and appropriately being applied.

a. Phase 1 – Pre-Authorization Requests Denied - Administrative Review

The following table is a synopsis of the Reasons for Denial of Pre-Authorization Requests for Nuclear Cardiac Imaging Tests.

<table>
<thead>
<tr>
<th>Denial Reasons</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Tests Sufficient: Stress Treadmill, Stress Echo</td>
<td>17</td>
<td>63%</td>
</tr>
<tr>
<td>Other Medical Necessity Criteria Misc.</td>
<td>7</td>
<td>25.9%</td>
</tr>
<tr>
<td>Retro-Denial -No Pre-Auth -Non Urgent Case</td>
<td>1</td>
<td>3.7%</td>
</tr>
<tr>
<td>Administrative: Insufficient Info to Review</td>
<td>2</td>
<td>7.4%</td>
</tr>
<tr>
<td>Total</td>
<td>27</td>
<td>100%</td>
</tr>
</tbody>
</table>
The following concern was noted:

**CONCERN:** The Department is concerned that physician reviewers with expertise in Cardiology are not being consulted in the medical necessity determinations for nuclear cardiac testing, especially in cases submitted by Cardiologists. Of the 27 denied requests for nuclear cardiac pre-authorization, a cardiologist was not consulted in 14 of the medical necessity determinations performed by MSI. Of the 14 denied nuclear cardiac pre-authorization requests that a cardiologist was not consulted in the medical necessity determination, 2 were submitted by cardiologists.

**Recommendation:** It is recommended that the Company require MSI to revise the nuclear cardiac imaging testing pre-authorization process to ensure that denials of nuclear cardiac imaging testing based on medical necessity are being conducted by licensed, certified, or registered health care personnel with expertise in the field implicated by the request for review.

**b. Phase 2 – Pre-Authorization Requests Denied - Clinical Review**

The second phase of the review was conducted by Marc A. Tecce, M.D., F.A.C.C, Clinical Assistant Professor of Medicine, Thomas Jefferson University School of Medicine, Philadelphia, Pennsylvania. Dr. Tecce was assisted in his review of the patient files by a Certified Registered Nurse Practitioner, who, under his direct supervision, compiled data and summarized applicable information. Dr. Tecce’s comments and report findings are summarized as follows:

The clinical review involved examining specific case requests for cardiovascular imaging studies that were submitted for pre-authorization. These requests for nuclear stress tests were made by treating physicians in Delaware and were denied because they were not felt to meet appropriateness criteria as defined by MedSolutions, Inc. on behalf of the Company.

The American College of Cardiology Appropriateness Use Criteria for Nuclear Cardiac Imaging is considered as being the most accurate and appropriate guideline established to date. The criteria are based largely on the presence of risk factors and using them to determine patients’ pre-test probability of having disease. The ACC criteria and clinical judgment of a practicing Cardiologist were utilized in the review of the 27 case files. The following report was submitted as part of the clinical review.

Five categories were created and each case was placed in one of these categories based on the received case file information.
The first category (1) involved agreement with the denial in that the case did not warrant a nuclear stress test based on the data provided. All cases that involved denials based solely on policy decisions were placed into this category (1) as it was not part of the clinical review to challenge or change the administrative policies of MedSolutions. The reason for the denial based on policy decisions was a request for approval after the test was performed (retro-request, 1 case).

The second category (2) involved agreement with the denial but solely because insufficient information was provided to warrant an approval. In many cases basic information such as the performance of an EKG or clinical history was lacking, therefore prohibiting approval of a nuclear stress test.

The third category (3) involved either insufficient or conflicting clinical data that precluded making a definitive denial or approval. The distinction between this category (3) and category (2) is that many of these cases had a fair amount of clinical information provided (most cases in category (2) had almost no basic information) but it was unclear whether or not a nuclear stress test was warranted (for example symptoms may have been inconsistently documented). Many of these cases had underlying cardiac disease but there was enough clinical uncertainty in reviewing the data that a definite decision could not be made. It is suspected that several of these patients had enough disease and symptoms to warrant a nuclear stress test but they fell into the uncertain category as per the American College of Cardiology Guidelines at least based on the information provided.

The fourth category (4) involved cases where the denial was inappropriate and a nuclear stress test should have been approved.

The fifth category (5) involved cases that were initially denied and then approved upon appeal/peer to peer/ reconsideration. Of the two cases approved upon appeal/peer to peer/reconsideration, both cases were deemed appropriate requests and a nuclear stress test was indicated with the initial submission.

The following table summarizes the 27 cases reviewed:

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Agree with Denial (includes 1 case denied for policy reasons)</td>
<td>11</td>
</tr>
<tr>
<td>2</td>
<td>Agree with Denial Solely due to poor/lack of Information</td>
<td>4</td>
</tr>
<tr>
<td>3</td>
<td>Insufficient Clinical Data to make Definitive Decision</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>Disagree with Denial; Nuclear Stress Test Appropriate</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>Cases approved upon Appeal</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>27</td>
</tr>
</tbody>
</table>
As part of the clinical review, the following concern was noted:

**CONCERN:** Applying the American College of Cardiology Foundation (ACCF) criteria to the 27 denied pre-authorization requests resulted in a determination that a nuclear stress test was appropriate in 4 requests (14.8%). In addition, 2 requests were initially denied and subsequently approved upon appeal. Utilizing ACCF criteria both requests met ACCF criteria initially and a nuclear stress test should have been approved upon submission. In conclusion, the application of the ACCF criteria would have determined a nuclear stress test appropriate in 6 requests (4+2) or 22% of the initial 27 denied requests.

**Recommendation:** It is recommended that the Company revise their contract with MSI to ensure that the criteria they are using with regard to reviewing and approving nuclear cardiac imaging testing is not more restrictive than criteria established by the ACCF or other recognized professional medical specialty organizations. In addition, once the information provided in the physician’s request meets ACCF criteria, the Company should promptly approve the request for nuclear cardiac imaging testing.

**Recommendation:** It is recommended that the Company develop a formal process to review and monitor the Nuclear Cardiac Imaging Testing Pre-authorization Process being performed by MedSolutions, with a special emphasis on denials.

2. **MSI Nuclear Cardiac Imaging Tests Approved**

A universe of 58 requests for nuclear cardiac imaging tests was identified as approved. All 58 approved case files were requested, received and reviewed. The files were reviewed to ensure the Company was following their Diagnostic Imaging Procedures and their Utilization Management Program procedures for appeals in a consistent and timely manner and for compliance with applicable Statutes and Regulations.

No exceptions were noted.

**CLAIMS**

The claim file review consisted of 2 segments of review.

A. Cardiac Claims Submitted after Nuclear Cardiac Diagnostic Tests were Denied
B. Nuclear Cardiac Imaging Claims Denied for No Authorization

The claim files were reviewed to ensure compliance with 18 Del. C. §2304(16), Unfair claim settlement practices.
A. Cardiac Claims Submitted after Nuclear Cardiac Imaging Tests were Denied

The Company was requested to provide a list of all cardiac related claims submitted by insureds that previously had pre-authorization for nuclear cardiac imaging tests denied. The Company identified 15 members who submitted 30 cardiac related claims with 59 medical service or procedure codes. In order to maintain uniformity among physicians, hospitals, patients and other administrative entities in describing various medical, surgical and diagnostic services and procedures, the American Medical Association (AMA) maintains a Current Procedural Terminology (CPT) set of codes. Each medical, surgical and diagnostic service or procedure is assigned a code, which is often referred to as its CPT Code.

The following table is a synopsis of the 59 CPT codes:

<table>
<thead>
<tr>
<th>CPT Code Description</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrocardiogram, Cardio Stress, Echocardiograms, Radiology Exam</td>
<td>30</td>
<td>50.9%</td>
</tr>
<tr>
<td>MPI Nuclear Test</td>
<td>3</td>
<td>5.1%</td>
</tr>
<tr>
<td>Office Consultations Various Heart Symptoms &amp; History</td>
<td>11</td>
<td>18.6%</td>
</tr>
<tr>
<td>Misc – Lipid panel, Comp Metabolic Panel, Blood Count, Technetium, Contract injection, Injection, Level IV Surgical Pathologic</td>
<td>15</td>
<td>25.4%</td>
</tr>
</tbody>
</table>

No exceptions were noted.

B. Nuclear Cardiac Imaging Claims Denied for No Authorization

The Company was requested to provide a list of all Nuclear Cardiac Imaging Claims denied for “No Authorization” for the experience period of March 29, 2007 through April 6, 2010. The Company identified 47 members who submitted 64 claims for 163 cardiac imaging CPT service codes. Of the 64 claims, 3 were previously considered and applied to the member’s deductible and therefore, not considered in the analysis. The list of 61 claims was analyzed to distinguish the number of insureds that were either denied the nuclear cardiac imaging tests for not obtaining an authorization or were denied the services from the diagnostic radiology vendor when seeking pre-authorization and had the imaging tests performed anyway. Of the 61 claims denied for “No Authorization”, 58 were denied prior to November 1, 2009, when Aetna’s vendor was NIA and 3 claims were denied after November 1, 2009, when the MSI vendor contract was effective.
The following table is a synopsis of the 61 claims denied for “No Authorization.”

<table>
<thead>
<tr>
<th>Number</th>
<th>Description</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>37</td>
<td>No Pre-Authorization Obtained</td>
<td>60.7%</td>
</tr>
<tr>
<td>16</td>
<td>Not the CPT Code Pre-Authorized</td>
<td>26.2%</td>
</tr>
<tr>
<td>8</td>
<td>Service not included in Consult for Pre-Authorization</td>
<td>13.1%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

As part of the review, the Company was requested to provide an explanation on the high number of claims (58) denied for “No Authorization” during the time period that medical necessity determination was not required for pre-authorization of cardiac diagnostic tests.

The Company response indicated that the provider failed to call in to document (pre-authorize) the procedure in 36 claims (62%), the procedure was not the CPT Code pre-authorized in 15 claims (26%) and the service was not discussed for pre-authorization in 7 claims (12%). In all cases, the member was not billed for the service and was held harmless.

No exceptions were noted.

COMPLAINTS

The Company was requested to identify all complaints received during the experience period related to nuclear cardiac diagnostic testing. The Company indicated one complaint was received that was related to nuclear cardiac imaging testing. Since the complaint was from a member of a self-funded group, no further review was necessary. The Department’s list of complaints for the Company did not contain any nuclear cardiac imaging related complaints.

No exceptions were noted.

FORMS

The Company was requested to provide for those requests denied the following:

- Correspondence explaining the reason for the denial sent from the Company to the policyholder and/or physicians.
- Copies of the policies under which each of the denials were made, including any explanations of prior approval review, policy holder agreements, and certificates of coverage.
- Copies of the notice to the policyholder of their right to appeal the denial.
The Company provided copies of all forms requested. In addition, the Company was requested to provide verification of Delaware Department of Insurance filing of all contract forms utilized during the experience period. Contracts forms were filed with the Department as required by 18 Del. Admin. Code 101 §4.1.2.

Provisions for the pre-authorization requirements for benefits were contained in the Group Contract, as well as in the Certificates of Coverage benefit booklet provided to enrollees.

No exceptions were noted.

SUMMARY OF RECOMMENDATIONS

The recommendations made below identify corrective measures the Department finds necessary as a result of the Exceptions and Concerns noted in the Report. Location in the Report is referenced in parenthesis.

1. It is recommended that the Company revise their contract with MSI to ensure that the criteria they are using with regard to reviewing and approving nuclear cardiac imaging testing is not more restrictive than criteria established by the ACCF or other recognized professional medical specialty organizations. In addition, once the information provided in the physician’s request meets ACCF criteria, the Company should promptly approve the request for nuclear cardiac imaging testing. (B. Phase 2-Policy & Procedures Clinical Review and b. Phase 2-Pre-Authorization Requests Denied Clinical Review)

2. It is recommended that the Company require MSI to revise the nuclear cardiac imaging testing pre-authorization process to ensure that denials of nuclear cardiac imaging testing based on medical necessity are being conducted by licensed, certified, or registered health care personnel with expertise in the field implicated by the request for review. (a. Phase 1- Pre-Authorization Requests Denied Administrative Review)

3. It is recommended that the Company develop a formal process to review and monitor the Nuclear Cardiac Imaging Testing Pre-authorization Process being performed by MedSolutions, with a special emphasis on denials. (b. Phase 2-Pre-Authorization Requests Denied Clinical Review)
Market Conduct Examination on Aetna Health Inc.

CONCLUSION

The examination conducted by Daniel Stemcosky, Gwen Douglas, and Jack Rucidlo is respectfully submitted.

Daniel Stemcosky
Daniel Stemcosky, AIE, FLMI, AIRC, MCM
Supervising Insurance Examiner
Market Conduct
Delaware Department of Insurance