

# Guide to External Review

Understanding your rights and the independent review process of a denied insurance health claim or medical treatment.



STATE OF ALASKA  
DIVISION OF INSURANCE

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## STATE OF ALASKA DIVISION OF INSURANCE

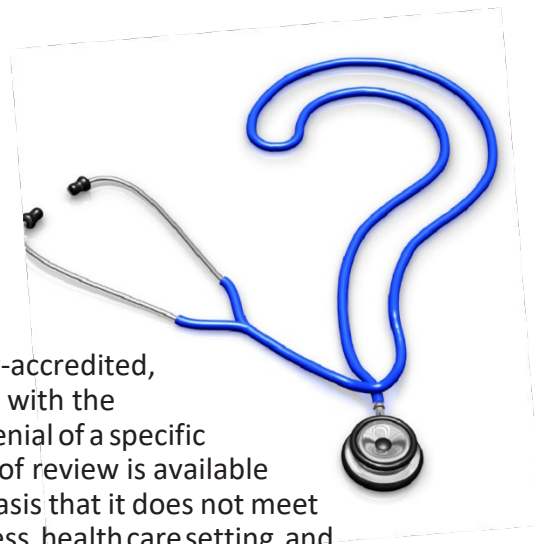
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# Guideto External Review



## What is an External Review?

Alaska law gives individuals who are covered by fully-insured, health or dental insurance plans the right to have a nationally-accredited, independent review organization (IRO), which is not affiliated with the insurance company, review and assess whether the insurer's denial of a specific claim or requested service or treatment is justified. This type of review is available when a recommended service or treatment is denied on the basis that it does not meet the insurer's requirements for medical necessity, appropriateness, health care setting, and level of care or treatment effectiveness. External review is also available when an insurer denies medical services or treatment considered to be experimental or investigational.

## What are the eligibility requirements for External Appeal?

To be eligible for external review, the following conditions must be met:

- *The covered person must have a fully-insured health or dental insurance plan.*
- *The service that is the subject of the external review request must be either a) a covered benefit under the terms of the insurance policy or b) a treatment that may be a covered benefit.*
- *The covered person must have exhausted the insurance company's internal grievance (appeal) process and received a final determination from the insurance company regarding the covered benefit (or "adverse determination"). However, there are exceptions from that requirement for urgent situations, where delayed treatment would seriously jeopardize the life or health of the covered person or the covered person's ability to regain maximum function. The following exceptions will also allow a covered person to bypass the insurer's internal appeal process and go directly to External Review:*
  - **Exception #1:** The insurer agrees in writing to allow the covered person to skip the internal appeals process.
  - **Exception #2:** The insurer has not complied with regulations for internal appeals processes and has not issued a timely final determination in accordance with Alaska regulations (3 AAC 28.930 - .938).
- *The covered person (or authorized representative) must submit the request for External Review to the Insurer or the Division of Insurance within 180 days from the date the insurance company provides an adverse determination about the requested treatment or service at the final level of the company's internal appeals process.*
- *The covered person's request for External Review may not be submitted for the purpose of pursuing a claim or allegation of healthcare provider malpractice, professional negligence, or other professional fault.*

## What types of health insurance are excluded from External Appeal?

In general, External Review is available for dental coverage and most major medical health insurance coverage offered by insurance companies. The following health care coverage are not eligible for External Review through the Alaska Division of Insurance:

- *Medicaid*
- *Denali Kid Care (Children's Health Insurance Program (CHIP))*
- *Medicare*
- *All other government-sponsored health insurance or health services programs*
- *Health benefit plans that are self-funded by employers*
  - *Note: Most self-funded plans provide external appeal rights which are administered by the employer.*

## Can someone else represent me in my External Review process?

Yes. A covered person may designate an individual, including the treating health care provider, as his/her authorized representative. Please use the Third-Party External Review Application Form. In the case that a covered person is medically incapacitated, a family member or the treating medical provider may represent the covered person without a designation. A parent or legal guardian applying for a review on behalf of a minor child is not a third-party; however, applying on behalf of a spouse is a third-party.

## Submitting the External Review:

To request an external review, the correct application must be completed in its entirety. Applications that are not adequately completed will be returned. There is no cost to the applicant for an external review. Applications are available on our website: [externalreview.alaska.gov](https://externalreview.alaska.gov).

If you are the covered person/patient, or the parent/legal guardian of a minor covered person/patient, please complete the External Review Application form. If applying on behalf of a minor, you must include documentation supporting the legal relationship, such as birth certificate, guardianship forms, or other legal documents.

If you are a third-party, such as a provider's office or family member, who is applying on behalf of another, including a minor patient, please complete the Third-Party External Review Application Form. You must include signed authorization from the covered person/patient or the parent/legal guardian of a minor covered person/patient with the application. For convenience, an authorization/designation is included in the application; however, the Division will review to accept other forms of legal documentation supporting the authorization and release of information for the covered person/patient.

### Please submit the following documentation:

- The completed, **signed and dated** applicable External Review Application Form.
- A copy of the front and back of the patient's insurance card or other evidence that the patient is insured by the insurance company named in the appeal.
- A copy of the insurance company's letter or statement of benefits, denying the requested treatment or service at the final level of the company's internal appeals process.
- Any medical records, statements from the treating health care provider(s) or other information that you would like the review organization to consider in its review.
- If requesting an expedited external review or a review of experimental/investigational services or both, include the "Provider's Certification Form."
  - Expedited External Review Applications may be faxed to (907) 269-7910, or sent by overnight carrier to the Department's Anchorage mailing address.

## What is the Standard External Review Process and Time Frame for receiving a Decision?

It may take up to 45 days for the Independent Review Organization (IRO) to issue a decision in a standard external review.

- *Once a completed application with the required documentation is received, the Division of Insurance (the Division) will submit your application to the insurance company for a preliminary review to determine if your case is eligible for external review.*
  - *Incomplete or inadequate applications will not be processed and will be returned to the applicant.*
- *If the request for external appeal is accepted, the Division will select and assign an IRO to conduct the external review and will provide a written notice of the acceptance and assignment to the applicant and the insurer.*
- *Within five working days after assigning your case to an IRO, the insurer must provide the IRO a copy of all information in its possession considered in making the adverse determination.*
- *If desired, the applicant may submit additional information to the IRO within five working days after receiving notice that the case was assigned to the selected IRO.*
- *By the 45th calendar day after the date the case was assigned to the selected Independent Review Organization, the IRO shall provide written notice to the applicant, the insurer and the Division of its decision to uphold or reverse the determination of the insurer.*

## What is an Expedited External Review?

Whereas the standard external review process allows up to 45 calendar days for IRO review, an expedited external review must be completed in 72 hours. The expedited process is available for those persons who would be significantly harmed by having to wait. An applicant may request expedited review by checking the appropriate box on the External Review Application Form and by completing a Provider's Certification Form. The Provider's Certification Form is completed by the treating physician and attests to the urgency of the decision needed to avoid seriously jeopardizing the patient's life or health or ability to regain maximum function.

If the applicant is pursuing an internal appeal with the insurer and anticipates requesting an expedited external review, please call the Division at 800-INSURAK to speak with a consumer services specialist, so that accommodations may be made to receive and process the expedited request as quickly as possible.

*Note: a patient has the right to request an expedited external review simultaneously with the insurer's expedited internal appeal process.*

## What happens when the Independent Review Organization makes its expedited decision?

- *If the appeal was an expedited external review, in most cases the applicant and insurer will be notified of the IRO's decision immediately by telephone or fax. If notified by telephone, written notification must follow within 48 hours.*
- *If the appeal was a standard external review, the applicant and insurer will be notified in writing.*
- *The IRO's decision is binding on the insurer and is enforceable by the Division. The decision is also binding on the patient except that it does not prevent the patient from pursuing other remedies through the courts under federal or state law.*



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