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The Accuracy of Colorado's Provider Directories

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The Affordable Care Act (ACA) aims to make it easier for consumers to shop for health insurance. This has brought new attention to the public lists maintained by insurance plans of their in-network providers, practice locations and specialties.

These lists, known as provider directories, are essential information for consumers who want to make sure that they are choosing the best insurance plans. And they are equally important when enrollees are trying to select an in-network provider whose services are covered by their plan.

But both providers and consumers in Colorado are raising concerns that the directories — which the carriers post on their websites — are inaccurate and out of date.

In response, the Colorado Medical Society (CMS) engaged the Colorado Health Institute (CHI) to study Colorado's provider directories in order to understand how they are created and updated. CMS also asked CHI to identify areas where processes may be failing as well as possible collaborative solutions to improve accuracy.

CHI interviewed representatives of six insurance carriers doing business in Colorado, two medical providers representing primary and specialty care and two representatives from the Colorado Division of Insurance (DOI).

These are the key findings:

- Insurance carriers and health care providers agree that there are inaccuracies in the provider directories. However, they disagree about who is responsible.
- Carriers say their provider directories are only as accurate as the information submitted by providers. While some carriers noted internal challenges in updating their directories, most said that providers simply do not submit timely and accurate information.
- Providers indicate that submitting information to carriers is time-consuming, fragmented and confusing. They say many carriers use outdated and inefficient paper-based processes that are prone to error.
- Almost all of the carriers and providers interviewed by CHI agree that creating a centralized data repository would be the most efficient solution. Providers could update all of their information to carriers one time rather than multiple times. The repository would be the source of the latest and most accurate information for provider directories.
- Alternately, providers and some carriers said switching to electronic submission forms could be a solution.

The Need for Accurate Information

Accurate provider directories have always been important. But with the recent trend toward narrower provider networks, the accuracy of directories has become more crucial.

Without accurate information, consumers may unknowingly obtain services from a provider who is out of their network – and find themselves on the hook for the full payment.

In addition to being accurate, provider directories must be complete. For example, some insurance plans tie reimbursement to tiers that reflect the cost and quality of a provider. In these cases, all tiers must be listed so the consumer can make an educated choice when selecting a plan.

Out-of-date provider networks could also lead to enrollees spending an inordinate amount of time trying to schedule appointments with providers who aren't accepting new patients, even though the provider directory says they are.

Mistakes can have consequences for providers, too.

In-network physicians omitted from the directory list may lose out on business. They can also encounter difficulty identifying an in-network provider for a patient referral.

Consensus on the Problem, Disagreement on the Cause

Several recent studies highlight inaccuracies in provider directories. Studies of specific plans in California[1] and 12[2] metropolitan areas uncovered numerous incorrect listings. While no similar studies have been conducted in Colorado, all of CHI's key informants said there are inaccuracies in the directories here. They disagreed, however, over reasons for the errors.

Carrier Perspective

Most carriers interviewed by CHI said they have an "any path" process for providers to update their directory information. This means that providers can fax, e-mail or call the carrier to report changes. Some of the larger carriers said providers can also update their information electronically.

Provider Directories: The Basics

Directories contain information about providers in an insurance plan's network. Some carriers collect more information and some collect less information, but common elements include:

- Basic demographic information about the provider such as name, phone number and office location
- Whether the provider is in the network
- Whether the provider is accepting new patients

The carriers that do not have an electronic update system said they manually input the changes from providers into their directories. Some are able to make updates within 48 hours of receiving the change, while others can take up to a month.

While some Colorado carriers do the updating work here, others said that work is done at their regional or national headquarters. None of the carriers felt that updating directories of Colorado providers by staff in other states is a source of inaccuracies.

Insurance carriers noted that the proliferation of different types of plans can be confusing

Provider Directory Update Process

The specifics differ, but updates to provider directories follow the same basic pattern for all insurance carriers interviewed by CHI.

for providers, who sometimes struggle to understand which plans they are participating in. When a provider's administrative staff are confused, they clearly will not send updates to the plans.

Many carriers noted that they rely exclusively on providers to send in updates and that the directory information is only as accurate as what they receive. They say many providers do not notify them when a colleague leaves a practice or when they are no longer accepting new patients.

Some of the larger carriers have attempted to conduct data validation, contacting providers to verify the information on file. While this can uncover inaccuracies, some carriers say the process is too time-consuming and costly to happen regularly.

Provider Perspective

While carriers think it is helpful to offer providers several options to update information, providers view the system as too paper-based, cumbersome and fragmented. They also say that many large plans have multiple contacts with whom they work, and administrative staff are unsure about whether to notify their state, regional or national contact.

Some carriers have PowerPoint presentations on how to update information. But these carrier-specific instructions can be difficult to implement for small practices that work with many insurance plans and have minimal office staff.

Providers say that when they do send updated information, it isn't always reflected in the directories. They don't think the "any path" process works well. They say it makes for a fragmented and manual update process, which in turn creates more room for error.

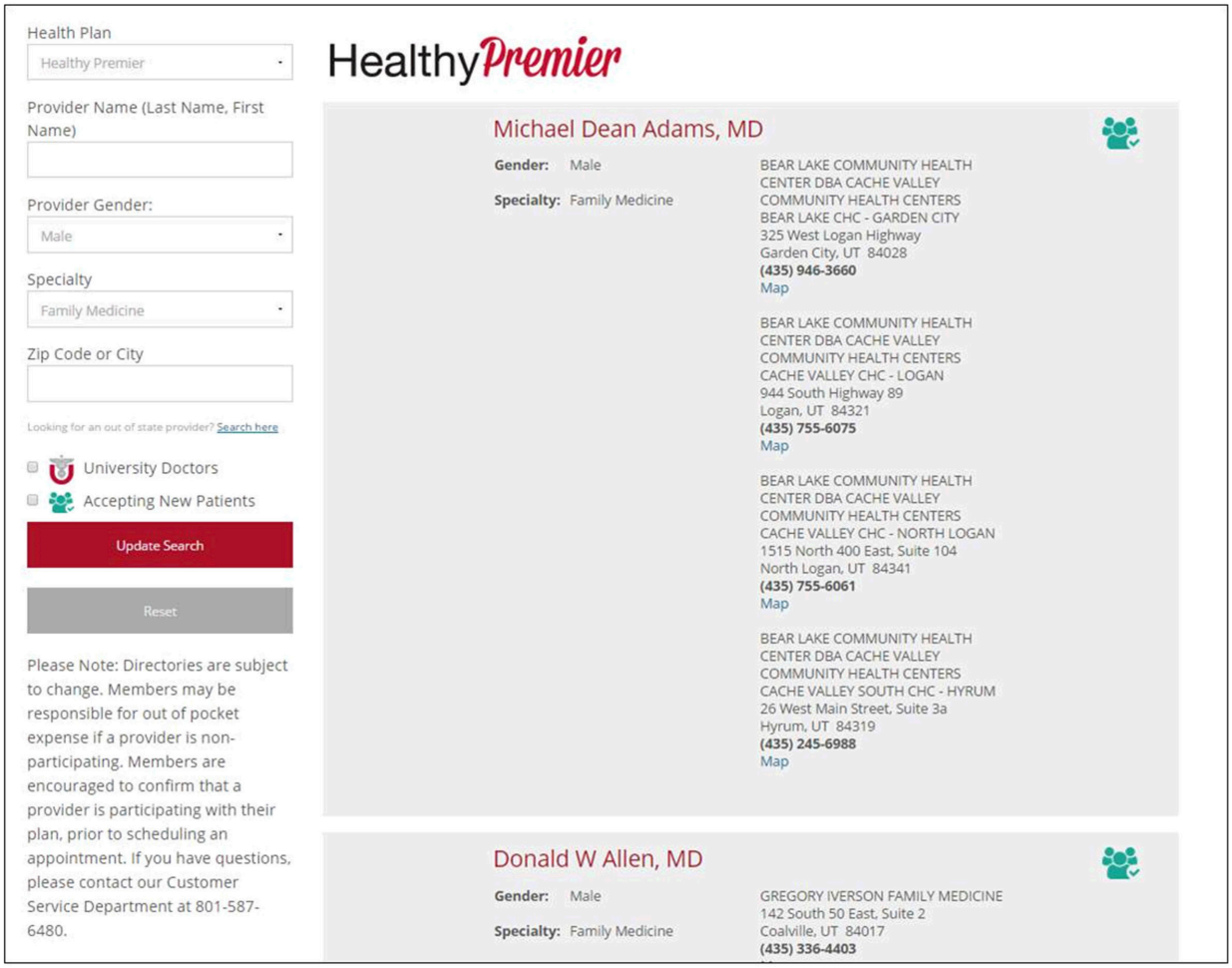
Moving Forward

New regulations that aim to improve provider directories are coming down the pike. But none

Current State and Federal Standards and Their Weaknesses

There are no current standards that ensure provider directory accuracy. Laws on the books in the U.S. and Colorado are insufficient.

Authority	Requirements	Weakness
Colorado Revised Statutes 10-16-704	• Carriers must provide the DOI with a list of providers in their networks once per year. • Carriers must make directories available to providers in their network.	• The DOI list is static and can be more than one year old. • Carriers only have to ensure that directories exist; they do not need to guarantee accuracy.
National Committee for Quality Assurance accreditation process	• QHP directories must contain most current information. • Qualified health plan (QHP) directories must be made publicly available.	• Requirements apply only to plans sold on the exchange. • QHPs may secure accreditation through this or another process, so these requirements aren't standard. • The accreditation process does not define "current information." Without clear parameters, this is a subjective term.



This example of an online provider directory comes from Utah.

seem likely to address accuracy concerns.

The National Association of Insurance Commissioners (NAIC) is drafting a model state law, which will include standards for provider directory maintenance such as monthly updates and data validation requirements. However, the model has not been finalized and it remains unclear whether the language will guarantee accurate provider data. In addition, states are under no obligation to adopt model laws, so even NAIC-inspired standards may have no effect in Colorado.

The Centers for Medicare & Medicaid Services has issued new standards for Medicare plans offered by private companies, known as Medicare Advantage (MA) plans, which will go into effect in 2016. These standards will require plans participating in the program to establish a process for directory accuracy that will include contacting providers every three months.

It has also issued more stringent rules for directory updates by qualified health plans (QHPs) sold on the federal health insurance marketplace, HealthCare.gov. Colorado has a state-based marketplace, so the rules will not impact QHP plans in here.

Some carriers say changes to their processes for QHPs and MA plans would likely influence the process for other commercial options as well. However, this is neither a requirement nor a universal solution, and many insurers — especially small, state-based carriers — would continue as before.

Centralization

Given that upcoming regulations are unlikely to significantly impact provider directory accuracy in Colorado, CHI asked carriers and providers to offer innovative alternatives. Nearly all said that a centralized data repository would be an ideal, albeit ambitious, solution.

A central repository would be a single point where providers could update their information for all of the insurance plans at once, using a standard interface. Carriers would either pull data from this repository to update their directories or the repository could send updates to carriers.

A handful of principles to guide the creation of this repository came up during the CHI interviews:

- Both plans and providers must agree on the process and the technical details.
- Agreement must be reached on who will pay to build and maintain the system. Generally, carriers felt providers should be responsible for the costs, while providers said carriers should pay for them. One insurer did say that since both parties would benefit, they should share expenses.
- The interface must be standardized. Currently, carriers want different types of information from providers to include in their directories. (See "Data Collection Across Carriers" below.) If information is required by any plan, the centralized database should have a place to record it. Carriers can then pull only the data that they need.
- The interface must have built-in flexibility in the event that provider data differs by plan.
- The repository should operate nationally. Colorado-specific solutions are unlikely to meet with approval from carriers that operate in multiple states.

Although there was general support for the central repository, carriers were resistant to a regulation that would make their participation compulsory. Rather, they suggested physician or insurance associations discuss opportunities and challenges associated with a repository and come up with a workable system.

There was general agreement that this repository should be hosted by an existing entity. Leveraging an existing infrastructure will help to minimize costs and streamline the process.

The information listed in provider directories is not standard across all insurers. Below is a summary of the types of data posted by four carriers in Colorado, randomly selected from the top 10 ten largest carriers by market share.

A few organizations were discussed during the interviews. The Council for Affordable Quality Healthcare (CAQH) is a central repository for physician credentialing information, so it is considered a likely candidate to host a centralized directory. However, CAQH's credentialing data come from all 50 states, which could turn this project into a national effort.

Colorado's All Payer Claims Database (APCD) also was cited as a potential host. However, claims data and provider directory data are very different.

Data Collection Across Carriers

	Carrier 1	Carrier 2	Carrier 3	Carrier 4
Provider demographics, including tax ID and NPI number	X	X	X	X
Location information, including phone number and address	X	X	X	X
Languages spoken	X	X		X
Acceptance of new patients	X		X	X
Specialty	X	X	X	X
Office hours	X			X

Interviewees expressed concerns that these differences are large enough to make using APCD impractical.

The Division of Insurance, which collects directory data annually to ensure adequate network access, was also floated as an option. Yet most carriers felt it would be inappropriate for the regulatory agency to act as repository host.

Based on passage of HB 12-1052, a consortium of state agencies and nonprofit organizations in Colorado is working on combining data sources to improve the accuracy of demographic data of health providers. While the project is in its infancy, it will be important to track whether its data can be leveraged to improve accuracy of directories.

Automation

Another option discussed during the interviews was automating the update process. All providers and most carriers agreed that accuracy would improve if all carriers switch to an electronic process that allows providers to simply update their information online.

While automation would still require providers to update their data in multiple places, it would greatly streamline the process. Because some carriers do not currently have electronic processes, this would require additional resources. However, many felt that this would be a more easily attainable alternative to the centralized data repository.

As with the centralized repository proposal, a few guiding principles emerged:

- **Getting rid of paper is key.** This may prove difficult for some of the smaller physician practices with less technical support.
- **Data should constantly reflect updates.** State procedures requiring static or "frozen-in-time" documents such as annual submissions by carriers to the DOI would need to be revisited.
- **There should be little lag time** between when a provider electronically submits an update and when it is reflected on the directory website.

Building an online form would allow providers to make direct edits to the online directories, eliminating confusion among providers about how to notify plans of changes. One electronic contact point for each carrier would also help streamline the process.

Automation could leverage the existing infrastructure already used by carriers to make updates. Instead of carriers inputting provider data from faxes, emails and phone calls, providers would directly enter the information to the system. At least one carrier we interviewed currently offers this option and another plans to embark on it soon.

Conclusion

Key informants agree that accurate provider directories are essential for consumers, providers and carriers. Inaccurate data can have serious consequences for patients and providers. But current regulations, as well as those in the pipeline, are unlikely to improve accuracy significantly.

Providers and carriers don't agree on who is responsible for inaccuracies. Regardless, CHI's key informant interviews show the potential for solutions. A centralized database or automated update process would minimize directory errors.

To move forward, a neutral facilitator will be important as well as engaging stakeholders such as the Colorado Medical Society, the Colorado Association of Health Plans, and other provider and insurance groups.

While managing provider networks can help carriers mitigate rising health care costs, they are most helpful when kept up to date. By working together, providers, carriers and regulators could make headway on this in near future.

End Notes

[1] Department of Managed Health Care Help Center, Division of Plan Surveys. (2014). "Final Report of a Non-Routine Survey of Blue Shield of California." http://www.dmhc.ca.gov/desktopmodules/dmhc/medsurveys/surveys/043fsnr111814.pdf

[2] JS Resneck Jr., et al. (2014). "The accuracy of dermatology network physicians posted by Medicare Advantage health plans in an era of narrow networks." Journal of the American Medical Association Dermatology. Vol. 150, no. 2. http://www.ncbi.nlm.nih.gov/pubmed/25354035

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303 E. 17th Ave., Suite 930, Denver, CO 80203 • 303.831.4200
coloradohealthinstitute.org