

United States Senate

COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION

WASHINGTON, DC 20510-6125

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March 25, 2010

Timothy Constantine
Chief Executive Officer
Blue Cross Blue Shield of Delaware
800 Delaware Ave
Wilmington, DE 19801

Dear Mr. Constantine:

Over the past several days, the News Journal of Wilmington, Delaware, has published reports about your company's policy towards covering "stress tests" for patients showing symptoms of heart disease. I am writing to request more information about these reports.¹

According to the News Journal, over the past several months, your company has repeatedly denied requests from both primary care physicians and cardiologists to pay for cardiac stress tests that the doctors have determined are medically necessary. According to the doctors quoted in the reports, when they have recommended stress tests for Blue Cross Blue Shield of Delaware (BCBSD) policyholders experiencing chest pain and other symptoms of coronary heart disease, your company has found that the tests are not medically necessary, and refused to cover them. These doctors claim that your company has hired a third-party claims administration company called MedSolutions to manage this "pre-approval" process.

One of the affected policyholders was Ms. Claudia Todd, who holds an individual policy with your company and has recently been informed that next month her premiums will increase by more than 10%. According to the reports, Ms. Todd's doctors recommended a stress test after she complained of "pain radiating from her chest, into her shoulder and across her back." After your company denied her doctors' request for this test, Ms. Todd paid for the test herself. According to the reports, Ms. Todd's doctors were so alarmed by the results of the tests, that she was quickly scheduled for a heart catheterization procedure.

Because I am concerned by these allegations that your company is denying medically necessary care to your premium-paying customers, I request the following information and documents:

¹ *Health Insurer's Denial of Test Almost Fatal for Delaware Man*, News Journal (March 21, 2010) (online at <http://www.delawareonline.com/apps/pbcs.dll/article?AID=2010303210021>); *Blue Cross Denials Add to Patients' Stress: Third Party Overrides Doctors' Advice on Heart Tests* (March 23, 2010) (online at <http://www.delawareonline.com/article/20100323/NEWS02/3230335/Blue-Cross-denials-add-to-patients-stress>).

1. Describe BCBSD's process for considering requests for prior approval for diagnostic heart tests. For the purpose of this and the following questions, "BCBSD" shall mean Blue Cross Blue Shield of Delaware and its officers, employees, and agents. Your description should include:
 - a. A description of BCBSD's processes for determining whether a diagnostic heart test is medically necessary, including information about any guidelines used by BCBSD in making such a determination;
 - b. The individual or individuals responsible for determining whether a diagnostic heart test is medically necessary, including the title and professional credentials of each such person;
 - c. A description of how BCBSD's determination is communicated to your policyholders and their physicians;
 - d. A description of what rights to appeal your policyholders have if BCBSD determines that a diagnostic heart test is not medically necessary; and
 - e. A description of how BCBSD communicates with your policyholders and their physicians about the right to appeal.
2. The number of requests for prior approval of diagnostic heart tests received by BCBSD in each of the past 5 years.
3. The number of requests for prior approval of diagnostic heart tests that were approved by BCBSD in each of the past 5 years.
4. The number of requests for prior approval of diagnostic heart tests that were denied by BCBSD in each of the past 5 years.
5. For each instance in which BCBSD denied a request for prior approval of a diagnostic heart test in each of the past 5 years, provide the following information:
 - a. Any written or oral explanation BCBSD gave to the policyholder and/or physician for denial of the test, including any explanations of benefits provided;
 - b. Any specific guidelines or employee manuals BCBSD used to determine the medical necessity of the diagnostic heart tests;
 - c. The individual or individuals responsible for denying a request for prior approval of a diagnostic heart test;
 - d. The individual or individuals responsible for determining that the diagnostic heart test was not medically necessary, including the title and professional credentials of each such person;
 - e. The amount BCBSD would have had to pay for the diagnostic heart tests if it had approved the procedures; and
 - f. Copies of the policies under which each of these denials were made, including any explanations of prior approval review, policyholder agreements, certificates of coverage, consumer materials, or other policyholder documents.

6. The number of requests or claims for prior approval of diagnostic heart tests that were denied by BCBSD and subsequently appealed by policyholders or physicians on their behalf in each of the past 5 years, and the result of those appeals.
7. Please provide the following information regarding BCBSD's relationship with MedSolutions and any other company that provides BCBSD with claim review services relating to diagnostic heart tests:
 - a. The name, address and other contact information for each such company;
 - b. A description of each company's role in the prior approval process for diagnostic heart tests, and how BCBSD monitors each company to which it has given authority to review requests for prior approval;
 - c. The individual or individuals at each company responsible for determining that the diagnostic heart test was not medically necessary, including the title and professional credentials of each such person;
 - d. A description of each company's financial arrangement with BCBSD;
 - e. A copy the contracts between BCBSD and each company;
 - f. Any mention in policyholder materials of each company and its role in the prior approval review process;
 - g. The number of prior approval requests regarding diagnostic heart tests handled by each company for BCBSD in the past 5 years, including a breakdown of the number of requests approved, denied, appealed and the results of any such appeals; and
 - h. The number of prior approval requests regarding any medical procedure handled by MedSolutions for BCBSD in the past 5 years, including a breakdown of the number of requests denied and approved.

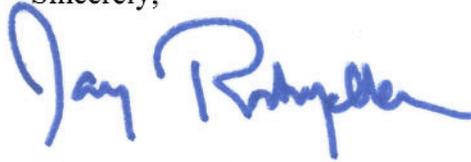
Please provide the requested information and documents by Friday, April 16, 2010.

To address privacy concerns associated with medical information, you may redact individual names and other specific information that would reveal the identity of the policyholders. Please confer with Committee staff regarding any such redactions prior to producing material to the Committee.

The Committee is conducting this investigation under the authority of Senate Rules XXV and XXVI. An attachment to this letter provides additional information about how to respond to the Committee's request. If you have any questions, please contact John Williams or Anna Crane with the Committee staff at (202) 224-1300.

Letter to Mr. Constantine
March 25, 2010
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Sincerely,

A handwritten signature in blue ink that reads "John D. Rockefeller IV". The signature is fluid and cursive, with the first name "John" being the most prominent.

John D. Rockefeller IV
Chairman

Enclosure

cc: Kay Bailey Hutchison
Ranking Member