
# Annual Report on Claims for Treatment of Lyme Disease and Other Tick Borne Illnesses for 2009

**PREPARED BY THE RESEARCH AND STATISTICS DIVISION OF THE MAINE BUREAU OF INSURANCE**

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## Introduction

Pursuant to 24-A M.R.S.A. §4302(5) the Superintendent of Insurance must report annually to the Joint Standing Committee on Insurance and Financial Services on information provided by carriers related to claims made for the treatment of Lyme disease and other Tick Borne illnesses. This report covers calendar year 2009 and contains information related to people who have individual health insurance policies, those covered under fully insured group health insurance plans, and those enrolled in the Dirigo Health Plan. It does not include Mainecare, Medicare, government plans (except the State of Maine Employees Health Plan) or companies that self-insure. Included within the report are: the number of claims made for the treatment of Lyme disease and other Tick Borne illnesses; the total dollar amounts of those claims; the number of claim denials and reasons for those denials; the number and outcome of internal appeals; and the number of external appeals related to the treatment of Lyme disease and other Tick Borne illnesses.

The Maine Center for Disease Control and Prevention has identified five kinds of reported Tick Borne diseases in Maine: Lyme Disease, Babesiosis, Ehrlichiosis (Anaplasmosis), Rocky Mountain Spotted Fever, and Powassan Virus. Licensed health carriers are required to report to the Bureau of Insurance claims for all five Tick Borne illnesses. The data include only claims for the treatment of tick-borne illnesses. They do not include claims for the diagnosis of tick-borne illnesses such as laboratory and imaging services.

This data collection requirement was enacted in 2007. The Bureau of Insurance developed an online report form for all licensed health carriers to enter data regarding Tick Borne disease treatment claims for all insured Maine residents, whether the carrier's information is for enrollees in self-funded or fully insured plans. This was the second year that Tick Borne disease data was collected. A total of 435 of 443 licensed health carriers responded for a response rate of 98.2%. Although this response rate is very high and provides a statistically valid sample, the Bureau is striving to get full compliance with the reporting requirements of the law. Notice has been sent to all companies that failed to respond with data for 2009 informing them that failure to respond in future years will result in referral to the Legal Division.

The number of claims for Tick Borne disease and the number of treatments for Lyme disease should not be confused with the number of actual cases of these diseases because an individual with these diseases can have many claims filed over the course of their treatment. The results presented in Table I and Table II cannot be directly compared. There may be several reasons for this including: multiple claims submitted for treatment of a single case of Lyme disease due to multiple office visits; companies that could not connect claims to prescriptions; and companies that reported office visits in Table I but were not certain whether there was Other Treatment in Table II. In addition, the number of reasons for denied Tick Borne disease claims in Table III cannot be compared to the number of denials in Table I because there can be more than one reason for denial of a claim.

Several revisions to the reporting form will be made for next year to improve the data to be reported. These revisions include:

- Adding a category for pending cases, since Tables I and II of the existing form ask for claims submitted, claims paid and claims denied. The number of cases submitted does not always equal those paid plus denied because some cases are pending;
- Adding a new category "Single Course of Treatment over 8 Weeks" to differentiate a single course of treatment from multiple courses of treatment that total more than 8 weeks; and
- Splitting the category "Not Medically Necessary (Including Experimental/Investigational)" into two categories: "Not Medically Necessary" and "Experimental/Investigational".

## Tick Borne Disease Claims by Category

Table 1 shows the number of claims submitted, paid and denied by Category of Tick Borne disease. The reported data include only claims made for the treatment of Tick Borne disease in the previous calendar year for covered individuals in Maine. This excludes laboratory, imaging and other claims related to diagnosing Tick Borne diseases. Five categories of Tick Borne diseases are listed based upon the International Classification of Diseases (ICD-9 codes).

The figures represent the number of claims reported and not the number of enrollees with Tick Borne disease. For example, one enrollee may have 10 claims within the calendar year relating to a diagnosis of Lyme disease. The Percentage of Claims Paid column is calculated by dividing the number of claims paid by category by the number of claims submitted for that category.

The company reporting the largest number of claims (10,700) indicated that they included presumptive diagnoses and stated that there is no way to separate presumptive diagnoses from patients with positive cultures.

**Table 1. Tick Borne Disease Claims by Category, 2009**

| Category | Total Number of Claims: | | | Total Dollar Amount Paid | Percentage of Claims Paid |
|---|---|---|---|---|---|
| | Submitted | Paid | Denied | | |
| Lyme | 14,807 | 12,744 | 2,057 | $1,559,030 | 86% |
| Babesiosis | 231 | 133 | 98 | $49,484 | 58% |
| Ehrlichiosis (Anaplasmosis) | 116 | 114 | 2 | $53,630 | 98% |
| Rocky Mountain Spotted Fever | 15 | 13 | 2 | $3,069 | 87% |
| Powassan Virus | 0 | 0 | 0 | $0 | -- |
| Totals: | 15,169 | 13,004 | 2,159 | $1,665,213 | 86% |

## Lyme Disease Claims by Treatment Type

Table 2 shows the number of Lyme disease claims by the Type of Treatment provided for those claims. The reported data include only claims made for the treatment of Tick Borne disease in the previous calendar year for covered individuals in Maine. This excludes laboratory, imaging and other claims related to diagnosing Tick Borne diseases. Claims for antibiotic treatment by any means of administration are counted. If an enrollee submitted claims for an antibiotic treatment on several different occasions during the calendar year, the combined length of time that antibiotic was taken is used for the purpose of determining if the treatment was for 8 weeks or less or for more than 8 weeks. The Other Treatment types may include non-antibiotic therapies administered for treatment of Lyme disease—including physical therapy, acupuncture, behavioral health, osteopathic manipulation, or other prescription medications. The Percentage of Claims Paid column is calculated by dividing the number of claims paid by treatment type by the number of claims submitted for that treatment type.

It is possible for information about one enrollee to be entered in more than one category. For example, an enrollee could have paid claims for some antibiotics for 8 weeks or less during the calendar year. That same enrollee could have a different antibiotic for 8 weeks or less be denied and additionally have a prescription for more than 8 weeks be paid. The Bureau will add a new category "Single Course of Treatment over 8 Weeks" to the report form in order to clarify this issue in the future. Therefore, it may be acceptable to enter data for the same enrollee in more than one place.

We caution against comparing the reported data in Table 2 to the reported data in Table 1. The data in Table 2 under-represents the number of Lyme disease claims by treatment type. Based upon follow-up questions related to the reported data, the Bureau determined that there are several possible reasons why the numbers are under-represented. These reasons include: for some insurance companies the data was unavailable; the insurer could not determine the treatment types for their members; the insurer does not collect the diagnosis at the "point of sale" of prescriptions or other treatment; the data could only be reported for individual cases and not the total number of claims; the insurer does not issue prescription coverage in Maine; or medical claims are stored on separate platforms from pharmacy claims and the two are not tied together. These discrepancies were identified when Bureau staff reviewed data from the previous year, and sought clarification from the insurance carriers. After extensive interaction with several companies, it was determined that discrepancies exist among the companies as to what is being reported. To address this and improve data for 2011, the Bureau will be providing more detailed information/data request to all filing companies.

| Table 2. Lyme Disease Claims by Treatment Type | | | | | |
|---|---|---|---|---|---|
| **Treatment Type** | **Total Number of Claims:** | | | **Total Dollar Amount Paid** | **Percent of Claims Paid** |
| | **Submitted** | **Paid** | **Denied** | | |
| Antibiotic Treatment, 8 weeks or less | 1,691 | 1,090 | 600 | $179,089 | 64% |
| Antibiotic Treatment, more than 8 weeks | 204 | 124 | 80 | $35,813 | 61% |
| Other Treatment | 233 | 213 | 15 | $36,555 | 91% |
| Totals: | 2,128 | 1,427 | 695 | $251,457 | 67% |

## Reasons for Denied Tick Borne Disease Claims

Table 3 provides the reasons given for denials of payment related to any treatment for Tick Borne diseases. A claim may have multiple reasons for denial. Nearly two-thirds of the reasons for denial were listed as other (not among those specifically listed on the report). More than 1,000 of those other reasons came from one insurance carrier. Other reasons for denial provided by insurance carriers include: duplicate claims; lack of referral; a mismatched membership number or social security number was provided; the person had other coverage and the primary payer paid in full; Medicare provided full coverage; the service was provided prior to effective date; payment was included in the allowance for another service; the provider name was missing; the claim was submitted to the prescription drug carrier; and a variety of reasons related to internal process which may have been reprocessed and approved at a later date. Two carriers (who are in the same insurance group and under common control) reported that their pharmacy claims are on a different platform and are not tied to medical claims, so the specific reasons for denial were not known.

| Table 3. Reasons for Denied Tick Borne Disease Claims, 2009 | |
|---|---|
| **Reasons for Denial** | **Number of Denied Claims** |
| Other Reasons for Denial | 1,372 |
| More Information Requested/Not Received | 171 |
| Coverage Terminated | 170 |
| Not a Covered Benefit | 116 |
| Not Medically Necessary (Including Experimental/Investigational) | 102 |
| Incorrect Coding | 79 |
| Non-Participating Provider | 31 |
| Maximum Benefits Exceeded | 15 |
| No Pre-Authorization | 9 |
| Pre-Existing Condition Exclusion | 0 |
| Total: | 2,065 |

## Appeals/Reconsiderations and External Reviews for All Tick Borne Diseases

Table 4 provides the number of appeals and reconsiderations that were conducted by the insurance companies reporting data to the Bureau of Insurance. The Bureau had no requests for an independent external review relating to Lyme disease in 2009.

**Table 4. Number of Appeals/Reconsiderations and External Reviews for All Tick Borne Diseases, 2009**

| | Upheld | Overturned | Total |
|---|---|---|---|
| Appeals/Reconsideration (Internal) | 5 | 5 | 10 |
| Independent External Reviews (Conducted by the Insurer, not the Bureau of Insurance) | 0 | 0 | 0 |
| Total: | 5 | 5 | 10 |