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DEPARTMENT OF

**Professional &  
Financial Regulation**

STATE OF MAINE

- OFFICE OF SECURITIES
- BUREAU OF INSURANCE
- CONSUMER CREDIT PROTECTION
- BUREAU OF FINANCIAL INSTITUTIONS
- OFFICE OF LICENSING AND REGISTRATION

## **Report on 2011 Claims for Treatment of Lyme Disease and Other Tick-Borne Illnesses**

**PREPARED BY THE MAINE BUREAU OF INSURANCE**

March 2012

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Pursuant to 24-A M.R.S.A. §4302(5), the Superintendent of Insurance must report information annually to the Joint Standing Committee on Insurance and Financial Services related to insurance claims made for the diagnosis and treatment of Lyme disease and other tick-borne illnesses for all covered individuals in the State of Maine. This report covers calendar year 2011. It is the fourth year that information has been reported.

Included within this report is data about the number of claims made for the diagnosis and treatment of Lyme disease and other tick-borne illnesses; the number of claim denials and reasons for those denials; the number and outcome of internal appeals; the total dollar amounts of those claims; 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 identified five kinds of reported tick-borne illnesses in Maine: Lyme disease, Babesiosis, Ehrlichiosis (Anaplasmosis), Rocky Mountain Spotted Fever, and Powassan virus. Insurance carriers licensed to write health insurance coverage in Maine are required to report to the Bureau of Insurance claims information for all five tick-borne illnesses. Beginning with this report, data includes claims for the *diagnosis* of tick-borne illnesses (e.g., laboratory and imaging services), as well as for the treatment of tick-borne illnesses.

Data is collected via an online reporting form and includes claims for all insured Maine residents, whether the enrollees are in a self-funded or fully insured plan. The data does not include MaineCare or Medicare claims. Respondents include active insurers with authority to write health insurance in Maine. There was a 99.8 percent response rate from insurers.

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## Tick-Borne Illness Claims by Category

Table 1 shows the number of claims submitted, paid and denied by category of tick-borne illness, as well as the total amount paid for claims. The reported data includes claims made for the diagnosis and treatment of tick-borne illnesses in the 2011 calendar year for covered individuals in Maine. Five categories of tick-borne illnesses are listed based upon the International Classification of Diseases (ICD-9 codes).

The figures in Table 1 represent the number of claims reported and not the number of enrollees with a tick-borne illness. One enrollee may have several claims within the calendar year relating to a tick-borne illness. The "Percentage of Claims Paid" column is calculated by dividing the number of claims paid for a category (e.g., Lyme) by the number of claims submitted for that category.

| <b>Table 1. Tick-Borne Illness Claims by Category, 2011</b> |                  |              |               |                   |                                  |
|---|------------------|--------------|---------------|-------------------|----------------------------------|
| <b>Category</b>   | <b>Submitted</b> | <b>Paid</b>  | <b>Denied</b> | <b>Total Paid</b> | <b>Percentage of Claims Paid</b> |
| Lyme disease  | 3,741            | 3,502        | 239           | \$606,292         | 93.6%                            |
| Ehrlichiosis<br>(Anaplasmosis)                              | 21               | 7            | 14            | \$3,402           | 33.3%                            |
| Babesiosis  | 11               | 10           | 1             | \$606             | 90.9%                            |
| Rocky Mountain<br>Spotted Fever                             | 0                | 0            | 0             | \$0               | --                               |
| Powassan virus  | 0                | 0            | 0             | \$0               | --                               |
| <b>Total:</b>   | <b>3,773</b>     | <b>3,519</b> | <b>254</b>    | <b>\$610,300</b>  | <b>93.3%</b>                     |

## Reasons for Denied Tick-Borne Illness Claims

Table 2 provides the reasons given for denied claims payments related to any treatment for tick-borne illnesses. A claim may have multiple reasons for denial. Nearly forty seven percent of the reasons for denial were listed as either “Duplicate Claim” or “Not a Covered Benefit.” The second highest category of denied claims was “Other Reasons for Denial.” Among the other reasons were: payments included in the allowance for another service; claims filed beyond the filing limit; claims needed to be resubmitted due to procedure codes, lack of required itemization or insufficient documentation; and failure to comply with notification requirements.

| <b>Table 2. Reasons for Denied Tick-Borne Illness Claims, 2011</b> |                                |
|--|--------------------------------|
| <b>Reasons for Denial</b>  | <b>Number of Denied Claims</b> |
| Not a Covered Benefit  | 71                             |
| Duplicate Claim  | 48                             |
| Maximum Benefits Exceeded  | 22                             |
| Coverage Terminated  | 15                             |
| No Pre-Authorization   | 13                             |
| More Information Requested/Not Received                            | 6                              |
| Non-Participating Provider   | 4                              |
| Considered Experimental/Investigational                            | 3                              |
| Incorrect Coding   | 3                              |
| Not Medically Necessary  | 1                              |
| Other Reasons for Denial   | 68                             |
| <b>Total:</b>  | <b>254</b>                     |

## Appeals/Reconsiderations and External Reviews for All Tick-Borne Illnesses

Table 3 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 tick-borne illnesses in 2011.

|  | <b>Upheld</b> | <b>Overtured</b> | <b>Total</b> |
|--|---------------|------------------|--------------|
| Appeals/Reconsideration (Internal)   | 6             | 4                | 10           |
| Independent External Reviews<br>(Conducted by the Insurer,<br>not the Bureau of Insurance) | 0             | 0                | 0            |
| <b>Total:</b>  | <b>6</b>      | <b>4</b>         | <b>10</b>    |

## Lyme Disease Claims by Treatment Type

Table 4 shows the number of Lyme disease claims by type of treatment provided for covered individuals. Claims for antibiotic treatment by any means of administration are counted.

The 'Percentage of Claims Paid' column is calculated by dividing the number of claims paid for a 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 antibiotics and have paid claims for other types of treatment, such as physical therapy.

Prior to 2010, there were two separate categories for the duration of time that antibiotic treatment lasted. For ease of reporting, the duration categories were eliminated in 2010, and there now is one category for antibiotic treatment.

Some insurers provided detail about what "Other Treatment" meant. Among those reporting this information, the majority of paid claims were for Osteopathic Manipulation, Central Nervous System Agents, Physical Therapy, Psychotherapy, and Anti Infective Agents.

| <b>Treatment Type</b> | <b>Submitted</b> | <b>Paid</b>  | <b>Denied</b> | <b>Total Paid</b> | <b>Percent of Claims Paid</b> |
|-----------------------|------------------|--------------|---------------|-------------------|-------------------------------|
| Antibiotic Treatment  | 2,198            | 2,139        | 59            | \$273,310         | 97.3%                         |
| Other Treatment       | 1,159            | 1,039        | 120           | \$217,107         | 89.6%                         |
| <b>Total:</b>         | <b>3,357</b>     | <b>3,178</b> | <b>179</b>    | <b>\$490,417</b>  | <b>94.7%</b>                  |

