

# Consumer News You Can Use

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## Capacity crowd attends market regulation seminar



L to R: Ron Gallagher, Steve Johnson, Insurance Commissioner Joel Ario, Randy Rohrbaugh and Cindy Fillman

The department recently played host to over 200 individuals from almost 120 insurance organizations from around the country as well as around the state. "The Evolution of Market Regulation" was a first of its kind seminar focused on the proactive, consumer-centric approach the department is taking as it relates to market activity and potential abuses.

"The department wants to be open and approachable when it comes to market conduct," said Insurance Commissioner

Joel Ario when he kicked off the day's event. "But companies should also be conducting their own internal reviews of their claims and complaint ratios."

Market analysis is designed to:

- provide tools for the department to review its entire market,
- identify companies in the market that are potentially harming consumers because they are not complying with the state laws and regulations designed to protect consumers and
- assist in narrowing the scope of any regulatory action that the department determines it must use to address those companies that appear to be experiencing compliance problems.

Citing examples like Market Conduct Annual Statement (MCAS) data and complaint data, the department explained to the seminar attendees that this data can be helpful to them as well as the department in tracking complaint data from consumers and, in turn, compiling ratios to analyze and use as tools in regulating the marketplace.

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More information and resources about Pennsylvania's Autism Insurance Act can be found at

[www.PAAutismInsurance.org](http://www.PAAutismInsurance.org)

## Pennsylvania's Autism Insurance Act – Are your services covered?

Many of you know from previous newsletters that the Autism Insurance Act requires private insurance companies to pay for autism services for individuals under age 21. Knowledge of this law becomes increasingly important as coverage for the majority of private insurance members that receive autism services will start in January 2010.

In the event that a family is denied payment for services from their primary insurance provider, they should file a first level review with the company. If that review comes back as denied, a second level review should be filed with the company. If the second level review is denied by the insurance company, a family or a provider may request an independent external review in which a third party will examine the claim and make a decision based on services provided and the contract the member holds with the insurance company. A family must contact

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## Autism, *continued from page 1*

the insurance company and state that they would like to have an independent external review completed within 15 days from the receipt of the second level review decision. The insurance company will then contact the Pennsylvania Insurance Department and the case will be sent to a certified review entity that will review the information and make a final determination. There are two time frames for these reviews. An expedited review may be requested in which a decision must be made and delivered within 48 hours of the reviewer receiving the case. Or, a standard review can be completed in which a decision will be made sixty days after the receipt of the review.

Families that are unsure if their insurance policy will cover autism services under this act should contact their human resources department or their insurance company to determine if services will be paid. If families are having trouble verifying this information, they should obtain and complete a complaint form from the Pennsylvania Insurance Department's Web site. The member should include their name and policy identification number on the form. Additional information and resources about the law can be found at [www.PAAutismInsurance.org](http://www.PAAutismInsurance.org).



The 94th Pennsylvania Farm Show, running Saturday, January 9th through Saturday, January 16th, will feature the best in youth livestock shows, cooking demonstrations, educational display and some of the state's most delicious foods.

### Face-to-face time at the Farm Show

If you are visiting the Farm show this year, after checking out the butter mold, go into the exhibit area. Department representatives will be on hand to talk to you about numerous insurance options. For more information about the Farm Show, log onto [www.agriculture.state.pa.us/farmshow](http://www.agriculture.state.pa.us/farmshow)



Pennsylvania ranks third in the country in deer collisions, and the odds of you hitting one with your car are 1 in 94.

So how can you reduce your chances of hitting a deer?

- Limit your driving time during the sunrise and sunset hours.
- Drive slower and keep alert to movement along the highway.
- Use your highbeams as much as possible to maximize your field of view.
- Be on the lookout for multiple deer running in a herd – where there's one, there could be another nearby.

## Uninsured? Check out these options

No matter what your age or circumstances, going without health insurance coverage is risky. In fact, the highest number of those without insurance are young adults, aged 19 to 30.

Most recently in Pennsylvania, we expanded coverage for adult children who have aged out of their parents' health plans. Act 4 of 2009 expands coverage for adults up to age 30, under certain conditions, to remain covered by their parents' health insurance.

Those eligible children are unmarried, have no dependents, are residents of the commonwealth or enrolled as a full-time student at an institution of higher education and are not provided private insurance coverage or enrolled in, or eligible for, government benefits.

The law goes into effect on December 7 and impacts contracts as they are made or renewed. So, for example, if a policy is issued or renewed in January 2010, the provision will kick in with that January issuance or renewals.

Prior to this law, insurance companies were only required to cover children on their parents' insurance until the age of 19, if the employer offered dependent coverage. The coverage expansion, however, does occur at the discretion of the employer and would not preclude an increase in premiums related to covering children for these additional years.

### Spousal coverage

If you are married and your spouse is eligible for health benefits at his or her job, your best option may be to get on their insurance.

### COBRA and Mini-COBRA

You may be able to continue your group coverage through COBRA. This coverage is a requirement that allows workers to continue their health coverage for up to 18 months after they leave their jobs if they pay the full premiums themselves. For those who

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## 2009-2010 Outreach events - mark your calendars.

Our office travels statewide to bring you information on the topics that are important to you. Here are just a few upcoming outreach events. For the complete list of dates and topics, log onto our [Web page](#).

### Homeowners and Renters Insurance

Nov. 16, 9:30 to 10:30 a.m.

Spanish American Civic Association (SACA)  
Senior Center  
545 Pershing Ave.  
Lancaster, PA 17602

Nov. 17, 11 to 11:30 a.m.

Windber Center For Life  
700 Fifth St., Ste 200  
Windber, PA 15963

Nov. 17, 12:30 to 1:30 p.m.

Central City Senior Center  
103 Sunshine Ave.  
Central City, PA 15926

Nov. 20, 10 to 11 a.m.

Millersville Senior Center  
St. Paul Lutheran Church  
222 N. George St.  
Millersville, PA 17551

### Services of the Insurance Department

Dec. 4, 11 a.m. to Noon

Schuylkill Haven Senior Center  
Main & Dock Streets  
Schuylkill Haven, PA 17972

Dec. 7, 11 a.m. to Noon

Tremont Senior Center  
139 Clay St.  
Tremont, PA 17981

Dec. 10, 10:45 to 11:45 a.m.

Shenandoah Senior Center  
116 North Main St.  
Shenandoah, PA 17976

Dec. 10, Noon to 1 p.m.

Mahanoy City Senior Center  
138 West Centre St.  
Mahanoy City, PA 17948

Dec. 16, 11 a.m. to Noon

Pottsville Senior Center  
201 North Centre St.

Pottsville, PA 17901

Dec. 17, 1 to 2 p.m.

Mallard Run Apartments - Retirement Home  
820 Lisburn Rd.  
Camp Hill, PA 17011

Feb. 8, 6:30 to 8 p.m.

Kulpsville Lions Club  
Kulpsville, PA 19443



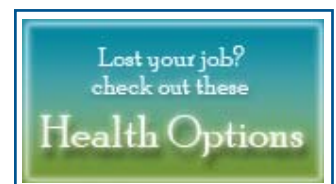
### More health options, *continued from page 2*

have lost their jobs, the federal government currently will pay 65 percent of the premium for the first nine months.

Other options include: individual coverage, guaranteed issue products, association health plans, state-run health insurance programs such as the CHIP and adultBasic insurance programs.

For those who have just recently lost their group coverage, don't procrastinate in making a decision. Your eligibility for coverage may be lost if you wait too long.

We want to make sure that you have the information you need to make an informed decision. If you have questions or need help, call the Insurance Department toll free at 1-877-881-6388.



More detailed information about health insurance options can be found on our Web site.

## Workers' compensation fraud has an economic effect on everyone

Workers' Compensation Insurance is a necessity for every business. It pays for medical expenses, lost wages and other expenses incurred by an employee who is recovering from an injury that has occurred while on the job. And it's illegal for businesses NOT to have this type of policy.

Workers' Comp insurance covers not only the injuries that occur on-the-job at the work site, but also injuries that occur when an employee is on a business trip, doing an errand that is related to his/her work or attending a business function in a social setting. In addition, if an employee has an injury or illness that worsens as a result of their job, that is also covered.

"Most PA employers and their employees are honest people," says Ralph Burnham, executive director for the Pennsylvania Insurance Fraud Prevention Authority (IFPA). "But those who choose to commit workers' comp fraud create an economic impact that is felt by each and every one of us."

The National Insurance Crime Bureau estimates that workers' comp fraud costs health care providers more than \$5 billion a year. And as the number of fraud cases increase, so do losses and the premium amounts that businesses must pay. This can be very damaging to any business, but especially small businesses.

To help educate people about this problem, IFPA recently unveiled a new workers' comp awareness campaign. "There are many different kinds of worker's comp scams taking place — from both businesses and individuals," says Burnham. "By making people aware of their existence, we might be able to decrease the number of occurrences."

### *Scams occurring from dishonest employers:*

- Telling the workers' comp insurance company that many employees work safer jobs than they really do.
- Reporting to the workers' comp company that the business has fewer employees or a lower payroll than it actually does.
- Not buying the state-required workers' comp insurance and then hoping state officials won't notice. This leaves employees dangerously exposed if they are injured on the job without insurance.

### *Scams occurring from dishonest workers:*

- Claiming an injury occurred on the job when in reality, the injury happened while pursuing personal interests or hobbies.
- Saying an injury is more severe than it is, trying to collect more workers' comp money and stay off the job longer.
- Inventing injuries for "free" money or a "vacation" from work.
- Claiming an old injury as one that happened on the job.
- Staying at home even after they have healed and have been cleared to return to work.

For more information, check out the IFPA Web site, [www.helpstopFRAUD.org](http://www.helpstopFRAUD.org).

## Market Regulation, *continued from page 1*

This movement to a more analytical approach to market regulation is better for consumer protection but it is also more effective for companies. Improving the transparency of the market regulation process among all in the market, and using a broad array of regulatory options in communicating with the insurance companies, are important steps toward moving to a data driven monitoring of the marketplace. Materials from the seminar are available on our Web site.

### Consumer News You Can Use

*Consumer News You Can Use* is published quarterly and is an informational and educational service. If you would like to be added to the distribution, simply e-mail us with your name and permission to add your e-mail address to our outreach list.

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