

Final Report – Federal Market Conduct Examination of **Ambetter of Indiana**

1/15/2025

Examination #: 2023-NSA-MCE-6

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I. Scope of Examination

The Center for Consumer Information and Insurance Oversight (CCIIO) conducted a Targeted Market Conduct Examination (Examination) of Ambetter of Indiana (Issuer), pursuant to section 2723(b) of the Public Health Service Act (PHS Act) and 45 C.F.R. § 150.313. The Examination was conducted pursuant to CMS's authority as outlined in CMS's letter to Indiana regarding enforcement of the provisions of the Consolidated Appropriations Act, 2021.¹

The Examination was for items and services furnished during the period of January 1, 2022, through December 31, 2023 (Examination Period). The purpose of the Examination was to assess the Issuer's compliance with the following requirements under the title XXVII of the PHS Act:

- PHS Act § 2799A-1(a)(1)(C)(iv)(II), (b)(1)(D), and (c)(6) and implementing regulations at 45 C.F.R. §§ 149.110(b)(3)(iv)(B), 149.120(c)(4), and 149.510(c)(4)(ix) – Independent dispute resolution process and payment for emergency services and non-emergency services performed by nonparticipating providers at certain participating facilities; and
- PHS Act § 2799A-2(a)(3)(B) and (b)(6) and implementing regulations at 45 C.F.R. §§ 149.130(b)(4)(ii) and 149.520(b)(1) – Independent dispute resolution process for air ambulance services and payment.

CCIIO contracted with Examination Resources, LLC to assist CCIIO with conducting this review.

During this Examination, CCIIO requested information, records, and data related to written payment determinations made in the federal Independent Dispute Resolution (IDR) process involving the Issuer for qualified IDR items or services and payments the Issuer made following the federal IDR process. CCIIO requests included:

- Policies and procedures with respect to the handling of payments for qualified IDR items or services submitted to the IDR process;
- Electronic IDR notice records for all qualified IDR items or services under dispute; and

¹ Center for Consumer Information & Insurance Oversight, CAA Enforcement Letter to Indiana (as of Dec 15, 2021), available at <https://www.cms.gov/ccio/programs-and-initiatives/other-insurance-protections/caa-enforcement-letters-indiana.pdf>

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- For each IDR notice record of a qualified IDR item or service, all associated documents, including those demonstrating final payment.

This report is by exception; therefore, the only areas indicated in the report are areas where findings were noted. Practices, procedures, and files subject to review during the Examination are omitted from this report if no findings are indicated. Some practices that do not comply with Federal statutes and regulations or those of other applicable jurisdictions may not have been discovered or noted in this report; however, any omission of such practices from this report does not constitute acceptance of such practices.

The Examination and testing methodologies followed standards established by the National Association of Insurance Commissioners² and procedures developed by CCIIO. CCIIO reviewed all IDR disputes involving the Issuer and submitted to the IDR process, which totaled 28 unique IDR disputes. The sample

Area Reviewed	Population	Sample Size
Certified IDR entity written payment determinations submitted to Issuer	28	28

² Market Regulation Handbook Examination Standards Summary 2022.
<https://content.naic.org/sites/default/files/publication-mes-hb-market-handbook-examination.pdf>

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II. Issuer Profile

Ambetter of Indiana, now known as Celtic Insurance Company, (Issuer) is domiciled in Illinois and is a wholly owned subsidiary of Celtic Group, Inc. (Celtic Group), a Delaware corporation. Celtic Group was acquired and became a wholly owned subsidiary of Centene Corporation, a Delaware stock corporation, on July 1, 2008.

The Company primarily offers individual health insurance coverage in Alabama, Arkansas, Delaware, Florida, Illinois, Indiana, Kansas, Missouri, New Hampshire, North Carolina, Oklahoma, Tennessee and Texas, through and outside of the health insurance Exchange.

Additionally, the Company operates under contract with the Arkansas Department of Human Services (AR DHS) to offer individual health plans on the health insurance exchange to Medicaid expansion members of the Arkansas Health and Opportunity for Me (ARHOME) program. The Company is operating under the AR DHS 2024 Memorandum of Understanding (MOU), which will expire December 31, 2024.

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III. Examination Results

A. Failing to Pay the Amount Due Not Later Than 30 Calendar Days After the Determination by the Certified IDR Entity.

PHS Act § 2799A-1(a)(1)(C)(iv)(II), (b)(1)(D), and (c)(6), § 2799A-2(a)(3)(B) and (b)(6), and implementing regulations at 45 C.F.R. §§ 149.110(b)(3)(iv)(B), 149.120(c)(4), 149.130(b)(4)(ii), 149.510(c)(4)(ix), and 149.520(b)(1) – Payment for emergency services, non-emergency services performed by nonparticipating providers at certain participating facilities, and air ambulance services provided by non-participating air ambulance providers, Independent dispute resolution process, payment.

Plans and issuers are generally required to make payment to the nonparticipating provider, facility or provider of air ambulance services that was party to a dispute in the federal IDR process within 30 calendar days of the certified IDR entity's written payment determination or a payment agreement made during open negotiation. The plan or issuer must pay the total plan or coverage payment directly to the nonparticipating provider, facility or provider of air ambulance services that is equal to the amount by which the out-of-network rate for the items and services involved exceeds the cost-sharing amount for the items and services, less any initial payment amount.

CCIIO identified a violation in the following instances:

Finding 1 – The Issuer failed to pay the amount due no later than 30 calendar days after the payment determination by the certified IDR entity.

CCIIO identified 18 occurrences from the sample reviewed where the Issuer failed to pay the amount of the offer selected by the certified IDR entity, less the sum of the initial payment and any cost sharing paid or owed by the participant or beneficiary, to the nonparticipating provider, facility, or provider of air ambulance services no later than 30 calendar days after the determination.

Corrective Action:

The Issuer is directed to review its policies, procedures, and systems to ensure that final payment amounts due for qualified IDR items or services for which a certified IDR entity has made a payment determination are paid to the nonparticipating provider, facility, or provider of air ambulance services no later than 30 calendar days after such determination. Within 30 calendar days of the date of this final report, provide a copy of any updated policies and/or procedures and/or documentation of system updates to CCIIO.

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Issuer response

The Issuer responded describing the corrective actions it implemented as follows:

1. To efficiently monitor the Federal Independent Dispute Resolution (IDR) Process from beginning to conclusion, the NSA Tracker platform was developed. The initial phase of the tracker, which focused solely on the Open Negotiation Request (ONR) Process, was deployed in August 2023. Phase two which addressed the Independent Dispute Request (IDR) workflow was deployed in February 2024. IDR processing cut over to the tracker full time in May 2024. With the implementation of phase 2, using Artificial Intelligence Optical Character Recognition (AIOCR) capabilities we can minimize manual entry to more speedily load IDR initiation notices into the tracker.

With the delivery of the NSA platform, we have a single location to document and record the ruling date, adjustment amount, and the adjustment due date without having to refer to archived emails or various filing locations. With the implementation of the tracker, we have enhanced our ability to monitor dispute awards and their due dates daily.

2. We increased both permanent and temporary staff in 2024 to address the volume and quality of the requests. A Director dedicated to the unit was added in June 2024. In 2024, the unit also employed four claim analysts to focus on the dispute decision determinations process outside of regular claims processing. Triage roles have been established to ensure timely management of emails associated with the dispute process, prioritizing those marked as dispute awards. These awards are promptly sorted into a designated email folder and recorded in the tracker, with an internal target of processing them within one business day of receipt.

3. Starting 1/1/25 we will introduce an internal production goal of 95% of disputes paid within 25 days and 100% paid within 30 days.

4. Given the volume of disputes which are either duplicate, ineligible for Federal NSA processing and incomplete dispute communication which consume limited resources, we are introducing a Program Management team in October 2024 who will work with Certified Independent Dispute Entities (CIDREs) to reconcile inventory, appeal eligibility of disputes and enforce the cooling off period.

5. In 1Q24, we introduced the process of locking claims which were adjusted because of a dispute award. This will ensure these determinations are not

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included in any other potential adjustment activities unrelated to the IDR process.

6. To ensure claims are adjusted correctly and timely, a quality audit program has been developed and is currently in draft form. A position for a quality specialist has been created and we are actively interviewing.

CCIO Response

CCIO acknowledges the corrective actions taken and planned by the Issuer. CCIO requests the Issuer produce a self-audit on the results of the internal production goals after it has been implemented for three months. The results of this audit will be due to CCIO by April 30, 2025. Starting with IDR determinations received January 1, 2025, the self-audit report should include actual results compared to the production goals outlined in the corrective action, specifically percentage of disputes paid within 25 days and percentage paid within 30 days. For all IDR determinations received January 1, 2025 and after, please include the following data points:

- IDR Dispute number
- Pre-IDR total initial payment amount
- Pre-IDR consumer cost sharing amount
- IDR determination date
- IDR payment determination amount
- Identification of the prevailing party in the IDR process
- Date IDR determination was processed
- Amount paid post IDR determination, if applicable
- Date of IDR payment, if applicable
- Post IDR consumer cost sharing amount
- Amount and explanation for any adjustments made to the IDR award amount
- An explanation for any payments beyond 30 days from the date of IDR determination notice, if applicable.

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IV. Closing

CCIIO conducted an Examination of the Issuer to assess the Issuer's compliance with the requirement to make a total plan or coverage payment no later than 30 calendar days after a certified IDR entity makes a written payment determination. CCIIO reviewed all IDR disputes involving the Issuer and submitted to the IDR process, which totaled 28 unique IDR disputes. CCIIO identified one finding that totaled 18 occurrences.

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V. Examination Report Submission

The courtesy and cooperation extended by the officers and employees of the Issuer during the course of the Examination are hereby acknowledged.



Jeff Wu, Deputy Director

Center for Consumer Information and Insurance Oversight
Centers for Medicare & Medicaid Services
U.S. Department of Health & Human Services

In addition, the following individuals participated in this Examination and in the preparation of this report:

Center for Consumer Information and Insurance Oversight

- Nicole McClain, MCM
- Angela Veney, Health Insurance Specialist

Examination Resources, LLC

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