

Network Adequacy: Balancing Patients' Needs for Affordable Premiums, Access to Care

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Seeking Balance
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Key Takeaways

COVERAGE OF SELECTED PHYSICIANS AND FACILITIES¹ VARY

- Coverage of physicians is highly variable by region, ranging from an average of 8% (Los Angeles)² to 83% (Philadelphia) of physicians covered in network by the plans examined.
 - Coverage is also variable within a region of a state (i.e., Nashville).
- Coverage of physicians was similar for Cardiologists and Neurologists. Coverage of Diagnostic Radiologists was more limited across regions, with the exception of New Jersey and Philadelphia.
 - New Jersey is the only region where average coverage of Diagnostic Radiologists exceeded coverage of Cardiologists and Neurologists.
- Facility coverage was also highly variable among plans and across regions. Overall, the plans examined included a greater portion of the selected facilities than the selected physicians in their networks.
 - Average facility coverage ranged from 11% in Atlanta to 100% in New Jersey.

¹The facilities examined were provided by the American Heart Association (AHA). Avalere selected providers associated with the facilities selected.

²Note: Louisville, KY is excluded from this range due to lack of physician coverage. One of the two AHA-selected CSCs (and the affiliated providers) for Louisville, KY is located in Lexington, KY, which may help explain lower coverage rates.

Please see Methodology section for additional detail.

Source: Avalere Analysis of selected physicians and facilities for exchange plan coverage, July 2014.

Methodology

- The American Heart Association (AHA) asked Avalere to examine whether qualified health plans (QHPs) offered on the health insurance exchanges include in-network coverage of select comprehensive stroke centers (CSCs), along with cardiologists, neurologists, and diagnostic radiologists affiliated with these centers.
 - CSCs are acute care hospitals jointly certified by the American Heart Association/American Stroke Association and The Joint Commission. These hospitals have the highest level of certification available for the most complex acute stroke cases and must demonstrate that they have the infrastructure, staffing, and standards in place on a 24 hour, seven day a week basis to provide state-of-the-art care. There are currently approximately 80 CSCs nationwide.
- AHA selected 10 regions across nine states to examine in-network coverage of CSCs and affiliated physicians.
- Avalere selected three lower cost silver QHPs in each region to review in-network coverage of CSCs and affiliated physicians.
 - Where available, Avalere selected plans from three different carriers.¹ For regions with only two issuers in the market, Avalere selected a third silver plan from one of the two issuers that offered another plan with a broader network (e.g., HMO vs. PPO).²
 - Avalere's decision to select lower cost silver tier plans was driven by the expectation that exchange enrollees are sensitive to premium pricing and subsidies are tied to the cost of the 2nd lowest silver plans. Sixty-five percent of individuals that selected silver plans in the federally-facilitated marketplace (FFM) chose the lowest or second-lowest cost silver plans.³

¹Avalere excluded Kaiser Permanente plans from this analysis given its staff model structure.

²Durham and Philadelphia had only two issuers in the exchange market.

³HHS Office of the Assistant Secretary for Planning and Evaluation. "Premium Affordability, Competition, and Choice in the Health Insurance Marketplace, 2014." June 18, 2014.

Source: Avalere Analysis of selected physicians and facilities for exchange plan coverage, July 2014.



Methodology (cont.)

- AHA supplied Avalere with up to three CSCs per region. Using the CSC names and addresses provided, Avalere used Medicare data to identify affiliated physicians with the desired specialties.
- To generate a list of 30 physicians—10 of each specialty—for the analysis, in each region Avalere:
 - Identified all physicians who had one of the target CSCs listed as their first or second referral hospital;¹
 - Identified the specialty used for billing by each of these physicians;
 - Limited the list of physicians to only the physicians who reported cardiologist, diagnostic radiology, or neurologist as their billing specialty;
 - Ranked each physician by total Medicare payments in the market; and
 - Limited the list of physicians to the top 10 by total Medicare payments for each of the three specialties.
- Avalere used the CSCs provided by AHA and the physicians we selected to assess network coverage for the three QHPs in each region.
 - Avalere searched provider networks on QHP issuer websites to assess in-network coverage of selected facilities and physicians.
 - When evaluating coverage of facilities, Avalere searched variations of the facility names in order to yield the most comprehensive results.
- The analysis represents a limited sample of plans in 10 regions. Avalere's analysis yields a high-level overview and is not intended to be comprehensive.

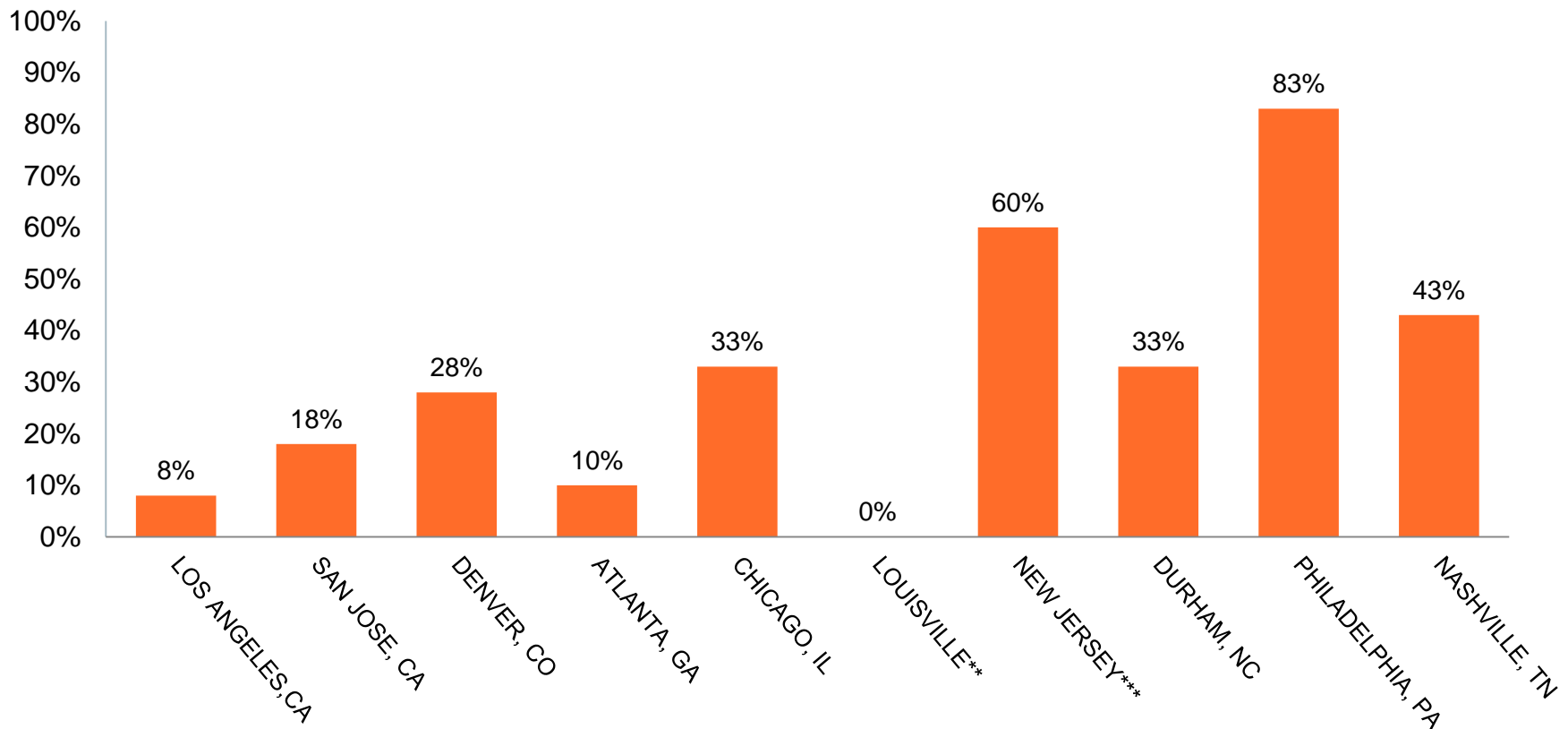
¹ Used 2012 *Physician Compare Data*

² Used 2012 *Medicare Fee-For-Service Provider Utilization & Payment Data Physician and Other Supplier Public Use File*
Source: Avalere Analysis of selected physicians and facilities for exchange plan coverage, July 2014.

Coverage of Selected Physicians Highly Variable by Region

ACROSS 10 REGIONS, AVERAGE COVERAGE OF PHYSICIANS RANGES FROM 8% TO 83%*

AVERAGE PERCENT OF SELECTED PHYSICIANS COVERED, BY REGION



*Note: Louisville, KY is excluded from this range due to lack of physician coverage. One of the two AHA-selected CSCs (and the affiliated providers) for Louisville, KY is located in Lexington, KY, which may help explain lower coverage rates.

**Of the 30 selected physicians in the region, 15 physicians were located in Louisville, while the other 15 were located in Lexington.

***Because all of New Jersey comprises a single rating region, the plans analyzed are available across the entire state.

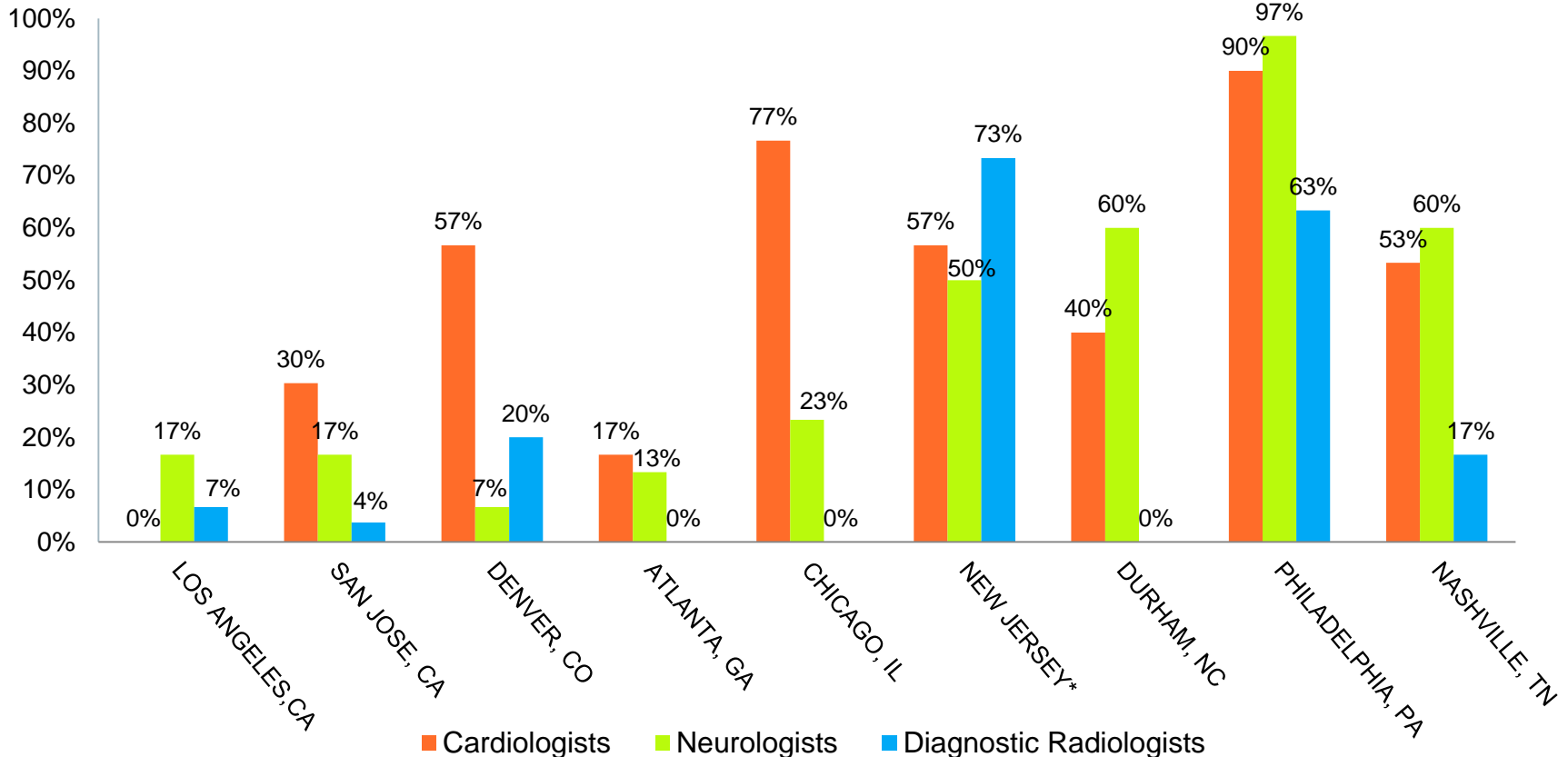
Source: Avalere Analysis of selected physicians and facilities for exchange plan coverage, July 2014.



Diagnostic Radiologists Covered Less Frequently Across CSCs than Cardiologists and Neurologists

ACROSS 10 REGIONS, HIGH VARIABILITY IN PHYSICIAN COVERAGE BY SPECIALTY

AVERAGE COVERAGE OF SELECTED PHYSICIANS BY SPECIALTY, BY REGION



*Because all of New Jersey comprises a single rating region, the plans analyzed are available across the entire state.

Note: Louisville, KY is excluded from this graphic due to lack of physician coverage. One of the two AHA-selected CSCs for Louisville, KY (and the affiliated providers) is located in Lexington, KY, which may help explain lower coverage rates.

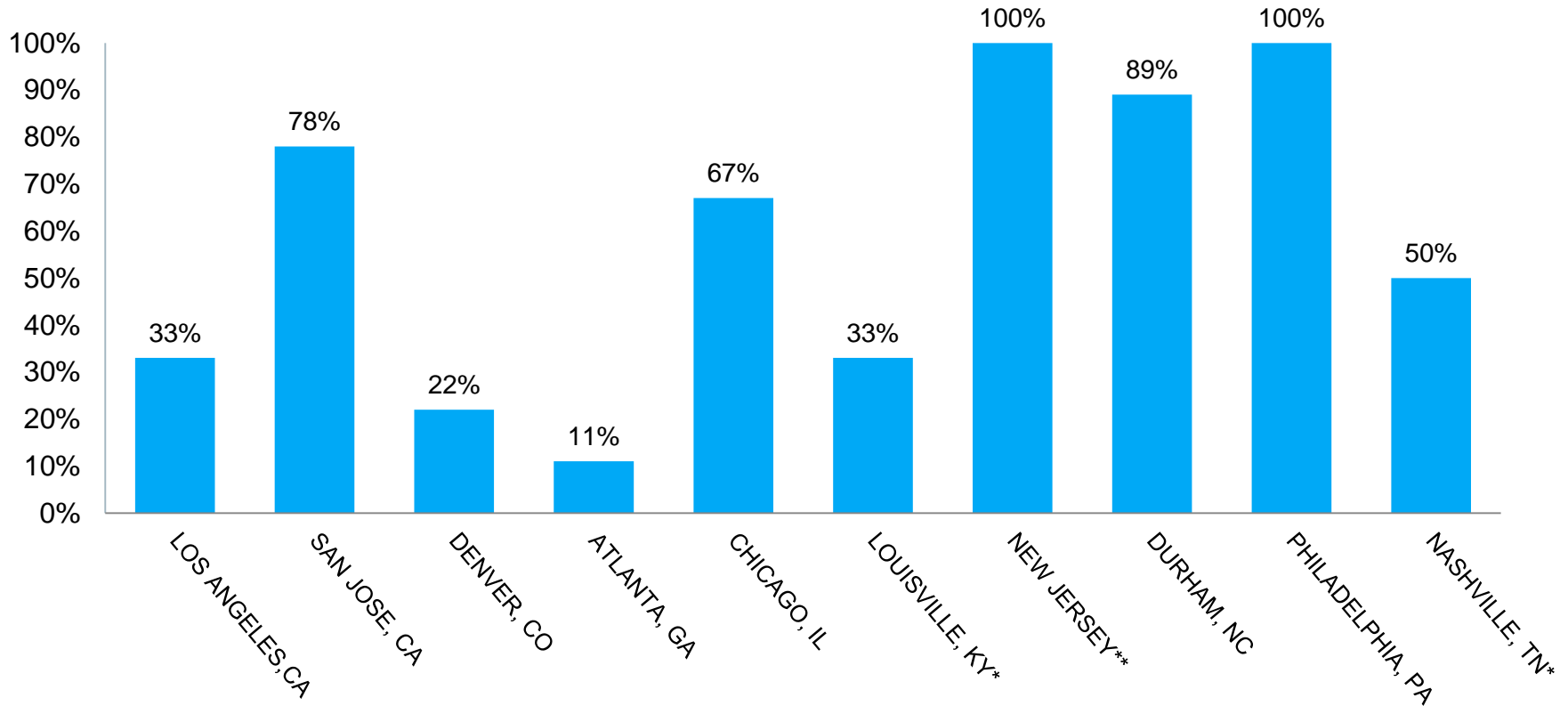
Source: Avalere Analysis of selected physicians and facilities for exchange plan coverage, July 2014.



Coverage of AHA Selected Facilities Also Variable by Region

ACROSS 10 REGIONS, AVERAGE COVERAGE OF COMPREHENSIVE STROKE CENTERS RANGES FROM 11% TO 100%

AVERAGE PERCENT OF SELECTED FACILITIES COVERED, BY REGION



*In Louisville, KY and Nashville, TN, AHA selected only two CSCs in each region rather than three as in the other regions.

**Because all of New Jersey comprises a single rating region, the plans analyzed are available across the entire state.

Note: One of the two AHA-selected CSCs for Louisville, KY is located in Lexington, KY, which may explain lower coverage rates. As a result, the Louisville region may be considered an outlier.

Source: Avalere Analysis of selected physicians and facilities for exchange plan coverage, July 2014.

