December 8, 2010

Submitted via the Federal eRulemaking Portal **http://www.regulations.gov**

Office of Consumer Information and Insurance Oversight
Department of Health and Human Services
Attention: OCIIO-9986-NC
Room 445-G
Hubert H. Humphrey Building
200 Independence Ave, SW
Washington DC 20201

Employee Benefits Security Administration
Department of Labor
200 Constitution Avenue NW
Washington DC 20210

Dear Sir or Madam:

Magellan Health Services (Magellan) welcomes the chance to respond to this Request for Information related to the Federal External Review Process. Magellan Health Services is one of the largest specialty carve-out organizations in the country. As a carve-out organization, we are responsible for the administration of the specialty health benefits provided by our customers to group and individual health plan members. Magellan customers include both health plans and employers, covering millions of members nationwide.

Question number 2

We strongly believe that you should require IROs to be credentialed as an Independent Review Organization by an accrediting body such as URAC. URAC accreditation is designed to ensure quality throughout the external review process. URAC accreditation address areas of concern including conflict of interest, the quality management program and quality improvement projects, qualifications for physician performing independent medical peer review, and medical necessity and experimental treatment issues. Reviewers should be limited to reviewing cases within their specific specialty. We recommend that IROs be required to have available, and

assign, medical reviewers who have the requisite competence, by virtue of their education, training, and relevant expertise, to evaluate the specific clinical issues presented for review. Each IRO must have sufficient depth of reviewers in specialty disciplines to ensure that plan determinations are reviewed by providers with appropriate expertise, e.g., review of cardiology claims by cardiologists, behavioral health claims by behavioral health practitioners, etc. In our experience, medical reviewers who make determinations outside their areas of expertise frequently make flawed decisions on medical necessity and experimental treatment questions due to their unfamiliarity with typical disease presentations.

Question number 16

IROs should be required to have ongoing continuing quality improvement projects and they should routinely do inter-rater reliability studies of their reviews to ensure consistency. Without inter-rater reliability studies there will be no way to determine if the IRO is applying criteria in a consistent and appropriate manner.

Additional comment - Protocols for Adjudication of External Review Cases

We recommend that the scope of IRO determinations be tied to the specific period of time for which authorization was requested and clinical information supporting authorization was furnished and that determination notices be mandated to identify the start and end date of the period reviewed and, if the IRO approves payment for part, but not all, of the period reviewed, the start and end date of the period authorized. IRO determinations reversing adverse benefit determinations should be tied to the period for which supporting documentation was furnished and should not be construed as an open-ended authorization in perpetuity. Requiring these elements will also eliminate any uncertainty for the member in understanding what the IROs decision means to them.

We appreciate the opportunity to respond to this Request for Information. If you would like further information on any of the issues raised in this letter please feel free to contact me at 410-953-4710 or tmberman@magellanhealth.com.

Sincerely,

Teresa Berman
Senior Legal Counsel
Magellan Health Services