

FILING A COMPLAINT WITH THE NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES (FORMERLY NEW YORK STATE DEPARTMENT OF INSURANCE)

If you have reason to think that an insurer has acted improperly, the New York State Department of Financial Services can be contacted easily online. The Department will not be able to respond to complaints about reimbursement rates since this is a “contract” issue. But if you have reason to believe that an insurance company is acting contrary to the statutes and regulations contained in NYS insurance law the Department has stated that it will investigate.

Go to:

<http://www.dfs.ny.gov/consumer/fileacomplaint.htm>

You will need to obtain permission from your client to do this as the complaint will have to name the consumer.

See below my “Questions for the NYS Department of Insurance” from 2010.

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Chair, Vendorship and Managed Care Committee

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QUESTIONS FOR THE NYS DEPARTMENT OF INSURANCE

At the NAMI meeting on April 14, I met John Powell, Assistant Deputy Superintendent for Health, NYS Department of Insurance. He agreed to a phone interview. I would ask him specific questions and report his answers to the Society membership. Keeping as close to verbatim as possible, from my notes, here is what was said:

What is an appropriate complaint to the NYS Department of Insurance? Is it appropriate to file a complaint about low reimbursement rates?

No. Not for in-network contracted rates. New York doesn't regulate the rate. This is subject to negotiation.

What about out-of-network?

We don't set rates but if there is a problem we have authority to make sure that plans are abiding by their contract.

Can we complain about the Usual and Customary Rate for out-of-network?

We have limited authority there. We can do some investigation.

What about complaining about other issues? What about the issue of Direct Payment to Providers?

I think some members have a non-assignability clause in their contract. That would trump the CMS 1500 form. The insurance company has a big incentive for providers to go in-network.

Is it appropriate to file a complaint about telephone reviews with out-of-network providers?

The statute and regulations don't address what they are allowed to get to show medical necessity. We don't have doctors here. We're not medical experts. The question is appropriate, but we would not be able to do a lot about it. We have very limited authority.

Is it more effective to file one complaint by the Society vs. a number of complaints from individuals? Which is more valuable, one Society letter or 20 from individuals?

The Society letter may get a little more attention because groups like that have people working on issues and may have other contacts. We want to know what's on the radar. We know this if we get a lot of complaints on a certain issue. One isn't better than the other. Letter writing with a form letter and different signature lines is not too effective, although it is good for us to know that the complaint is not an isolated one.

Is it appropriate to write to the Superintendent of Insurance?

Yes, if it is specific to health insurance. You can cc me or Troy Oechsner the Deputy Superintendent for Health.

When is it advisable to write to the Attorney General's office?

Their jurisdiction is broader. It doesn't hurt to write the Attorney General. Their area is consumer health. We license insurers.

What happens when we file a complaint? Do you investigate every complaint?

I imagine there are some we do not. For example, "My insurance isn't covering cosmetic surgery". In this case there is no need to contact the insurance plan. It is not a violation of the law.

When we file a complaint do you contact the insurance company?

For the most part, yes. We get this complaint. We ask them, "How do you respond to it?" If it is a clear violation we pursue it. If we see it is a systemic problem we will broaden the investigation. That's why it is always good to complain.

If you have a complaint you should always feel free to call.

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