

Department of Health and Human Services
Aging and Disability Services Division
Office for Consumer Health Assistance
Payment for Medically Necessary Emergency
Services Provided Out-of-Network
2023 Annual Report

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Introduction

Pursuant to NRS 493B.760, the following report prepared by the Office for Consumer Health Assistance (OCHA) provides data and analysis regarding arbitrations for certain medically necessary emergency services provided when the provider of health care is out-of-network. The report includes data regarding arbitration applications which were processed during the calendar year 2023. This includes applications which were under review as of Dec. 31, 2022, and cases which were determined or pending an arbitration determination as of Dec. 31, 2023.

Arbitrations of Claims Less Than \$5,000

Arbitration Timeline

The timeline below shows the number of business days, as outlined in adopted Regulation Legislative Counsel Bureau (LCB) File No. R101-19, to complete the Arbitration Determination process from receipt of application, through the screening process and to the final determination.

Timeline	Number of business days				
1. OCHA receives an application from an Out-of-Network Provider or Out-of-Network Emergency Facility	1				
2. OCHA acknowledges receipt of Out-of-Network Provider or Out-of-Network Emergency Facility application	10				
3. OCHA completes review of application. OCHA sends a Notification of Arbitration to the Out-of-Network Provider or Out-of-Network Emergency Facility and Third Party	20				
4. The Out-of-Network Provider or Out-of-Network Emergency Facility and the Third Party submits Arbitrator selections to OCHA	10				
5. OCHA sends a notification of assigned Arbitrator and request for relevant information from the Out-of-Network Provider or Out-of-Network Emergency Facility and the Third Party	10				
6. Relevant Information is due from the Out-of-Network Provider or Out-of-Network Emergency Facility and the Third Party	10				
7. OCHA's assigned Arbitrator reviews all relevant information provided. OCHA's assigned Arbitrator renders a determination. OCHA sends a Notice of Arbitration Determination to Out-of-Network Provider or Out-of-Network Emergency Facility and the Third Party	45				
Total business days	106				
Note: If additional information is required for an application to be determined comp					

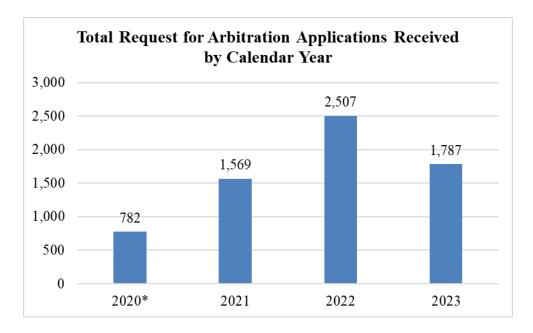
Note: If additional information is required for an application to be determined complete and clear, the timeframe will increase by an additional 30 business days.

In calendar year 2023, the average number of business days from receipt of application to determination was 111 business days.

Intake Process

Request for Arbitration applications can be downloaded by the Out-of-Network Provider or Out-of-Network Emergency Facility from the OCHA website at Office for Consumer Health Assistance. Request for Arbitration applications are submitted to OCHA primarily via email but may also be submitted via mail or fax.

In calendar year 2023, OCHA received 1,787 Request for Arbitration applications, while in calendar year 2022, OCHA received 2,507 applications. There was a 29% decrease in the number of applications received in calendar year 2023. This is attributed to recovering the costs of the arbitrator from the non-prevailing party for applications received June 3, 2022, and after.

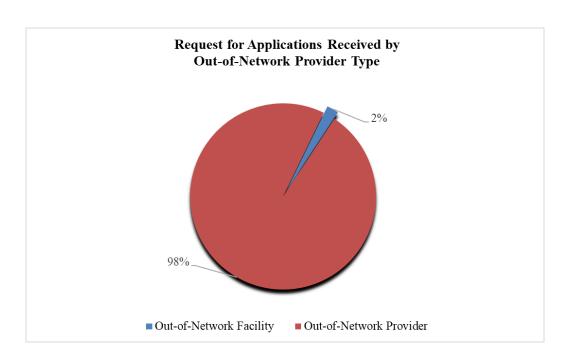


^{*}The first request for arbitration application was received on 3/11/2020.

Applications Received from Out-Of-Network Facilities and Out-Of-Network Providers by County

For applications received between 01/01/2023 and 12/31/2023

County	Out-of-Network Facility	Out-of-Network Provider	Total
Clark	37	1,637	1,674
Washoe	0	113	113
Statewide Total	37	1,750	1,787
Percentage of Total	2%	98%	100%



The charts above reference total applications received from Out-of-Network Providers and Out-of-Network Emergency Facilities.

Analysis of the data shows Out-of-Network Providers submitted most applications. The highest number of applications were received from providers in Clark County while the lowest number received was from providers in Washoe County. There were no applications received from other counties.

Additional Amount Requested by Out-of-Network Providers and Out-of-Network Emergency Facilities for Applications Received by County

For applications received between 01/01/2023 and 12/31/2023

		\$500 and under				\$501 to \$2,000		501 to \$2,000 \$2,001 to \$4,999					
County	\$0 to \$100	\$101 to \$200	\$201 to \$300	\$301 to \$400	\$401 to \$500	\$501 to \$1,000	\$1,001 to \$1,500	\$1,501 to \$2,000	\$2,001 to \$3,000	\$3,001 to \$4,000	\$4,001 to \$4,999	Total Applications	Additional Amount Requested
Clark	1	23	238	539	76	760	28	8	1	0	0	1,674	\$776,364.25
Washoe	0	11	10	23	5	58	2	4	0	0	0	113	\$57,617.29
Statewide Total	1	34	248	562	81	818	30	12	1	0	0	1,787	\$833,981.54

Out of the total 1,787 applications, 51.82% (926) were for additional amount requested of \$500 and under, 48.13% (860) were for \$501 to \$2,000 and only one (1) application was for \$2001 to \$4999. In 2022, 69% of total applications were for additional amount requested of \$500 and under

and 30% were for \$501 to \$2,000. The changes in the additional amount requested in 2023 are attributed to recovering the costs of the arbitrator from the non-prevailing party for applications received June 3, 2022, and after.

Screening Process

The screening process includes review of each application to ensure the application is accurate, complete, and meets statutory requirements.

If the application has missing or inaccurate data, this is considered an incomplete application. The provider is notified of the missing or inaccurate data and may re-submit the application within 10 business days.

Applications Received by Screening Decision Status as of 12/31/2023

For applications screened between 01/01/2023 and 12/31/2023

Screening Decision Status	Out-of- Network Facility	Out-of-Network Provider	Total*	Percentage
Criteria met	35	1,572	1,607	84.31%
Criteria not met	3	211	214	11.23%
Under Review	2	83	85	4.46%
Statewide Total	40	1,866	1,906	100.00%

^{*}Included in the table above are 119 applications which were under review as of 12/31/2022 and 1,787 applications which were received during calendar year 2023 for a total of 1906 applications screened between 01/01/2023 and 12/31/2023.

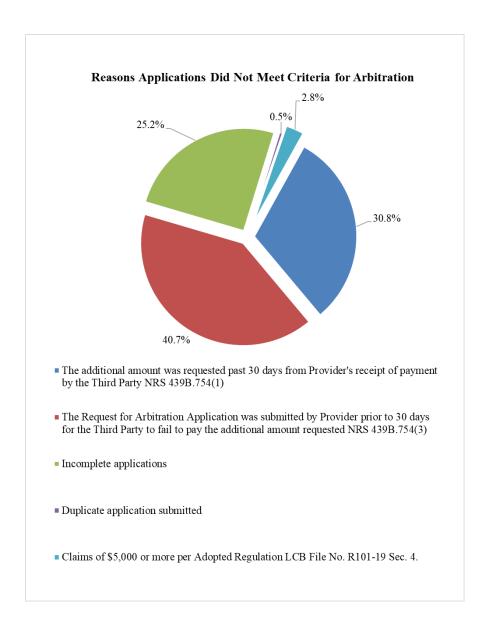
In calendar year 2023, the percentage of applications which met criteria was 84.31%. In calendar year 2022, the percentage of applications which met criteria was 77.83%. This is an 8.33% increase of applications which met criteria over the previous calendar year and is attributed to Out-of-Network Providers and Out-of-Network Facilities being more familiar with the arbitration process.

The charts below reference the reasons applications did not meet criteria for arbitration.

Reasons Applications Did Not Meet Criteria for Arbitration (Applications were Ineligible for Arbitration)

For applications screened between 01/01/2023 and 12/31/2023

Reasons Applications Did Not Meet Criteria	Out-of- Network Facility	Out-of-Network Provider	Total	Percentage
The Request for Arbitration Application was submitted by Provider prior to 30 days for the Third Party to fail to pay the additional amount requested NRS 439B.754(3)	2	85	87	40.65%
The additional amount was requested past 30 days from Provider's receipt of payment by the Third Party NRS 439B.754(1)	0	66	66	30.84%
Incomplete applications	1	53	54	25.23%
Claims of \$5,000 or more per Adopted Regulation LCB File No. R101-19 Sec. 4.	0	6	6	2.80%
Duplicate application submitted	0	1	1	0.47%
The Request for Arbitration Application was submitted by Provider after 30 business days from the Third Party's refusal or failure to pay the additional amount requested per Adopted Regulation LCB File No. R101-19 Sec. 2	0	0	0	0.00%
Application Withdrawn – Dispute Settled Prior to Arbitration Determination	0	0	0	0.000%
In-network Provider NRS 439B.709 and NRS 439B.712.	0	0	0	0.00%
Entity or Organization has not elected to apply NRS 439B.736(1)(c)	0	0	0	0.00%
Third Party does not meet definition of a Third Party under NRS 439B.736(1)(a)	0	0	0	0.00%
Third Party not opted-in at time of service	0	0	0	0.00%
Statewide Total	3	211	214	100.00%



OCHA continues to collaborate with Out-of-Network Providers to review application requirements and refine the application submission process. The analysis of the results shows:

- 1. 40.65% The Request for Arbitration Application was submitted by Provider prior to 30 business days for the Third Party to fail to pay the additional amount requested NRS 439B.754(3). This a decrease from 49.79% in 2022.
- 2. 30.84%, The additional amount was requested past 30 days from Provider's receipt of payment by the Third Party NRS 439B.754(1). This is a decrease from 39.91% in 2022.
- 3. 25.23%, Application Incomplete. This is an increase from 7.94% in 2022. It is unknown why there was an increase in this category; however, further analysis shows a decrease of this category since July 2023.

Arbitration Process

The arbitration process includes applications which initially met criteria to open an arbitration case.

Cases in Arbitration between 01/01/2023 and 12/31/2023

Screening Decision Status	Out-of-Network Facility	Out-of-Network Provider	Total
Criteria met	35	1,572	1,607

In 2023, 1,607 arbitration cases were opened based on the screening process. In 2022, 2,054 arbitration cases were opened based on the screening process. There was a 22% decrease in cases opened. This is attributed to recovering the costs of the arbitrator from the non-prevailing party for applications received June 3, 2022, and after.

Arbitration Cases by Status

For cases in arbitration between 01/01/2023 and 12/31/2023

Arbitration Cases by Status	Out-of- Network Facility	Out-of- Network Provider	Total	Percentage
Cases closed with a Prevailing Party	24	1,470	1,494	73.31%
Cases closed due to inapplicability	0	114	114	5.59%
Dispute settled prior to arbitration determination	11	1	12	0.59%
Request for arbitration withdrawn	0	1	1	0.05%
Cases in arbitration	9	408	417	20.46%
Statewide Total	44	1,994	2,038	100.00%

^{*}Included in the table above are 431 cases which were pending an arbitration determination as of 12/31/2022 and 1,607 cases which opened during calendar year 2023 for a total of 2,038 cases.

The number of arbitrations closed with a prevailing party in calendar year 2023 was 1,494. The number of arbitrations closed with a prevailing party in calendar year 2022 was 1,726. There was a 13% decrease in arbitrations closed with a prevailing party from the previous calendar year. This is attributed to recovering the costs of the arbitrator from the non-prevailing party for applications received June 3, 2022, and after.

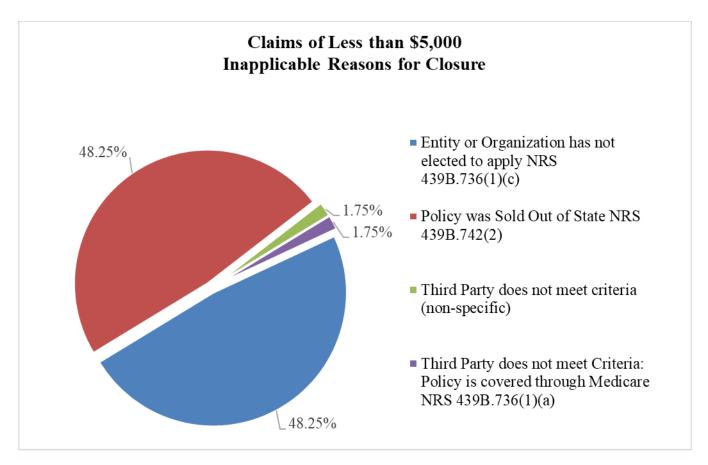
In comparison to calendar year 2022, 6% more cases out of the total were closed with a prevailing party and 9% less cases were closed due to inapplicability. This is attributed to the providers being more familiar with the arbitration process.

The chart below references the arbitration cases closed due to Inapplicable Reasons.

Arbitration Cases Closed Due to Inapplicable Reasons

For arbitration cases closed between 01/01/2023 and 12/31/2023

Inapplicable Reasons for Closure	Out-of-Network Facility	Out-of-Network Provider	Total	Percentage
Entity or Organization has not elected to apply NRS 439B.736(1)(c)	0	55	55	48.25%
Policy was Sold Out of State NRS 439B.742(2)	0	55	55	48.25%
In-network Provider NRS 439B.709 and NRS 439B.712	0	0	0	0.00%
Third Party does not meet criteria (non-specific)	0	2	2	1.75%
Third Party does not meet Criteria: Policy is covered through Medicare NRS 439B.736(1)(a)	0	2	2	1.75%
Third Party does not meet Criteria: Policy is covered through Medicaid NRS 439B.736(2)	0	0	0	0.00%
Healthcare services were provided more than 24 hours	0	0	0	0.00%
Hospital is certified as a critical care hospital	0	0	0	0.00%
Statewide Total	0	114	114	100.00%



Analysis of the data shows there are two main reasons an arbitration case did not meet criteria for arbitration:

- 1. 48.25% Entity or Organization has not elected to apply NRS 439B.736(1)(c): Upon review of relevant information, it was determined that the Entity or Organization had not elected to apply NRS 439B.736(1)(c).
- 2. 48.25%, Policy was Sold Out of State, NRS 439B.742(2): Upon review of relevant information, it was determined policies for these arbitration cases were sold out of state.

The two main reasons an arbitration case did not meet criteria for arbitration were the same in calendar year 2022; however, in 2023, there was a decrease of 23.82% in the "Entity or Organization has not elected to apply" reason and a 25.91% increase in the "Policy was Sold Out of State" reason. The increase is attributed to the provider's change in staffing.

Arbitration Case Data

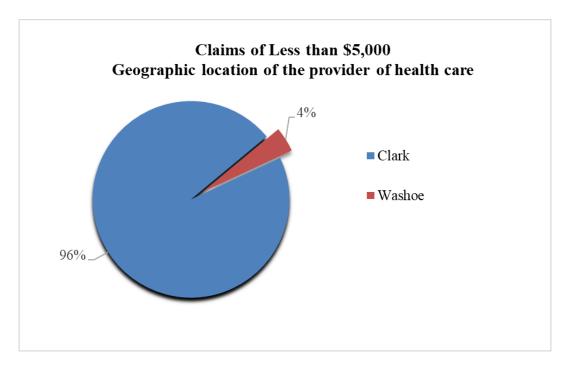
As of December 31, 2023, there were 1,494 arbitration cases closed with a determination and a prevailing party.

The charts below display information about the geographic location of the provider of health care for medically necessary emergency services in arbitration cases.

Arbitration Cases with a Prevailing Party by Geographic Location of the Provider of Health Care for Medically Necessary Emergency Services

For arbitration cases closed between 1/1/2023 and 12/31/2023

County	Out-of- Network Facility	Out-of- Network Provider	Total	Percentage
Clark	24	1,409	1,433	95.92%
Washoe	0	61	61	4.08%
Statewide Total	24	1,470	1,494	100.00%



Arbitration Cases by County and Prevailing Party

For arbitration cases closed between 1/1/2023 and 12/31/2023

	Prevailing Provid	•	Prevailii				
County	Out-of- Network Emergency Facility	Out-of- Network Provider	Elect-in Entity or Organization	Issuer of a Health Benefit plan as defined by NRS 695G.019	Public Employees' Benefits Program (PEBP)	Total	
Clark	17	980	0	436	0	1,433	
Washoe	0	39	0	22	0	61	
Statewide Total	17	1,019	0	458	0	1,494	
Prevailing Party Total	1,030	6		1494			

Arbitration Cases by Additional Amount Requested, County, and Prevailing Party

For arbitration cases closed between 1/1/2023 and 12/31/2023

	Prevailin Prov	g Party - vider	Prev			
County	Out-of- Network Emergency Facility	Out-of- Network Provider	Elect-in Entity or Organization	Issuer of a Health Benefit plan as defined by NRS 695G.019	Public Employees' Benefits Program (PEBP)	Total
Clark	\$24,885.68	\$430,424.91	\$0.00	\$185,863.78	\$0.00	\$641,174.37
Washoe	\$0.00	\$21,307.42	\$0.00	\$9,670.41	\$0.00	\$30,977.83
Statewide Total	\$24,885.68	\$451,732.33	\$0.00	\$195,534.19	\$0.00	\$672,152.20

Consumer Savings

As of December 31, 2023, the 1,494 arbitration cases closed with a determination and a prevailing party resulted in \$1,613,948.30 consumer savings. This is a decrease of 11% in consumer savings from 2022, which were \$1,807,067. This is attributed to less applications received and less cases determined and closed.

Further analysis shows that there was a slight increase in average consumer savings per case closed. In calendar year 2022, average consumer savings per case closed were \$1,047, while in calendar year 2023, average consumer savings per case closed were \$1,080.

Arbitrations for Claims of \$5,000 or More

For arbitrations of claims of \$5,000 or more, Out-of-Network Providers and Out-of-Network Emergency Facilities must request a list of five randomly selected arbitrators from the American Arbitration Association (AAA) or Judicial Arbitration and Mediation Services (JAMS).

Organizations conducting arbitrations for claims of \$5,000 or more are required to report on or before December 31 of each year to the Department of Health and Human Services on the form prescribed by OCHA.

As of December 31, 2023, AAA and JAMS reported zero cases arbitrated.

Provider of Health Care or Third Party Relevant Information

Report information is confidential pursuant to NRS 439B.760(3)(a)(1) and 439B.760(4).

As of December 31, 2023, OCHA did not receive relevant information.

Provider and Third Party Contract Data, 439B.760(3)

Adopted Regulation LCB File No. R101-19 includes providers of medically necessary emergency service and third parties to report to OCHA the percentage of increase of contracts entered into and percentage of decrease of contracts.

As of December 31, 2023, two (2) third parties reported an increase in the number of new provider contracts the third party has entered into with providers of medically necessary emergency services from the immediately preceding year. The types of providers for whom the provider contracts were entered into were hospital, emergency medicine, and urgent care.

One provider of medically necessary emergency services reported that there has been a decrease in the number of third party contracts entered into from the immediately preceding year.

Election by Entities and Organizations Not Otherwise Covered to Submit to Provisions of NRS 439B.700 to 439B.760

Entities or organizations not otherwise subject to the provisions of NRS 439B.700 to 439B.760 may elect to participate under the provisions of NRS 439B.757.

During calendar year 2023, seven (7) additional entities or organizations elected to participate under the provisions of NRS 439B.757. As of December 31, 2023, the total number of entities electing to participate under the provisions of NRS 439B.700 to 439B.760 is forty-nine (49). The most current list may be found at Office for Consumer Health Assistance (OCHA) (nv.gov).

As of December 31, 2023, no entities or organizations have elected to withdraw their participation.

Conclusion

In calendar year 2023, there was an 8.33% increase of applications which met criteria over the previous calendar year. Additionally, 9% less cases were closed due to inapplicability. These trends are attributed to Out-of-Network Providers and Out-of-Network Facilities being more familiar with the arbitration process.

There was a slight increase in average consumer savings per case closed. In calendar year 2022, average consumer savings per case closed were \$1,047, while in calendar year 2023, average consumer savings per case closed were \$1,080.

The adopted regulation LCB File No. R101-19 can be viewed at <u>LCB File No. R101-19 State of Nevada Department of Health and Human Services (nv.gov)</u>.