State-run health insurance exchanges are finding difficulty keeping at least one major insurance carrier interested. As the insurance exchange marketplace opens under the Affordable Care Act, insurance companies are fleeing some state’s individual marketplaces. Aetna has announced it has opted out of New Jersey’s state exchange on September 10, after pulling out of exchanges in other states, including California and New York.

This trend began in May, when Aetna, Cigna and United Healthcare announced they would not be participating in California’s exchange. In July, Aetna sent out a letter to its policyholders informing them that the new law had revamped the health-care system “as we know it” and that policyholders should brace for higher prices.

Wellmark Blue Cross and Blue Shield opted out of Iowa’s exchange, and other carriers followed suit across the 16 states and District of Columbia that had decided to launch their own state-run marketplaces. There are a lot of regulations in the law that make health insurance costly for companies. The latest wave of insurers exiting the individual market is likely just the beginning. The number of companies backing out of the state-operated insurance exchanges has raised questions about their viability. However, the U.S. Department of Health and Human Services has been steadfast in saying the exchanges will go live as scheduled on October 1st.

The exchanges are on-line marketplaces where small businesses and individuals can shop for health insurance coverage. They’re a feature of federal health care reform scheduled to go live this fall. Consumers can start making choices on their exchanges October 1, 2013 but they won’t take effect until January 1, 2014. So far, there are 19 State-based Exchanges.

**Did You Know?**

Researchers at Indiana University’s Riley Hospital for Children found that the comfort pads used in neonatal ICU can attenuate the radiation beam from portable x-ray by up to 72.1% depending on the thickness. This prompted a policy change to remove the comfort pads for all but the sickest infants.

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The Food and Drug Administration reaffirmed the safety and effectiveness of CT colonography as a screening tool for colon cancer.

For the first time researchers have documented different brain activity in the brains of post-concussion subjects. Thomas Hammeke, PhD published his findings in the September issue of the Journal of the International Neuropsychological Society. He evaluated 24 high school athletes, 12 with concussions and 12 uninjured at 13 hours following the injury and again at 7 weeks. Functional MRI showed diminished activity in the right hemisphere of the brain, in addition to decreased reaction time and diminished cognitive abilities in those with concussions. While the reaction time and cognitive abilities improved at the 7 week assessment, their brains showed increased activity in the brain’s attentional circuits, suggesting a compensatory response by the brain.

It is estimated that 3.8 million people suffer traumatic brain injuries annually.
7 states are planning for Partnership Exchange, and 25 states are defaulting to the Federal Exchange.

Because we have very few public and private exchanges in operation, though there are a few, it's hard to predict with certainty what impact they will have on providers. One possibility will be a renewed push for narrow networks. It will be hard to compete successfully in the exchange markets created under the ACA’s rules, but one way to do it is with a narrow network product that can offer superior medical management and cost controls.

The Affordable Care Act requires that health insurance exchanges be operational by January 1, 2014. With an anticipated 30 million people being added to the health insurance market, healthcare providers must understand and prepare for the impact of the exchanges.

Providers should review managed care contracts, which may require amendments or not even apply to the new products that plans will offer after the exchanges go into effect. Providers must also examine the rate and fee schedules to determine what will be covered by the exchanges.

Coding and Compliance Tips by Lori Shore, CPC,RCC

If not for the one year delay we would be reporting ICD-10-CM codes now! How have you begun to prepare? We will blink our eyes and ICD-10-CM will be a reality, like it or not! This year will be filled with training, testing and updating templates.

We have been training our staff on the new code set and will expand this training to our clients next year. The codes have been loaded into our billing system as our programmers continue to prepare and test to report in both ICD-9 and ICD-10.

What should you be doing? Include as much specificity into your reports as possible. For example, laterality, site specificity, recurrences, etc. Developing a means of gaining a detailed clinical history is critical. The hospitals should be working on this as well, but they are also working to convert to ICD-10-PCS, an entirely new procedural coding system.

Be prepared for the financial impact of ICD-10. I anticipate that reimbursement will be delayed due to insurance company “glitches” and slowed productivity.

Buckle your seat belts it’s going to be a wild ride!