

House Panel Beseached to Fight Patient Brokering in Opioid Addiction Treatment

The Centers for Disease Control and Prevention (CDC) estimates that the nation's opioid epidemic kills 91 Americans every day. It's a tragic, complicated, ongoing problem — too complicated to be reduced to a simple cause-and-effect equation. However, the issue of "patient brokering" is one that can only exacerbate the opioid addiction crisis plaguing the country. An organization in the addiction treatment industry is asking the government to try to put an end to the fraudulent practice that poses as help but ultimately does harm.

Patient brokering revolves around Obamacare's individual insurance mandate. In this scenario, a third party (for instance, a treatment center that may not even meet standards of care) pays a recruiter to sign up an opioid-addicted patient for an Affordable Care Act (ACA) marketplace insurance plan that includes coverage for out-of-state facilities. The next step is for the patient (many of whom are facing housing vulnerability and uncertainty in their home states) to book a stay in a treatment center (often set in coveted climates like Southern California or Florida).

Although the practice is considered fraudulent — and in cases where the Centers for Medicare & Medicaid Services (CMS) have identified the deceit, coverage is cut off and the patient is ultimately dismissed from the treatment center — it's not always easy to uncover, and the fact that third parties have been permitted to pay an individual's insurance premiums have further complicated and contributed to the pattern.

National group bans the buying and selling of addiction treatment leads

Marvin Ventrell is the executive director of the National Association of Addiction Treatment Providers (NAATP). This week he spoke before the House Energy and Commerce oversight subcommittee, informing the panel that relatively new NAATP ethics requirements prohibit members from participating in patient brokering. "First and foremost (in the new ethics rules) is patient brokering: under no circumstances should a provider buy or sell leads," Ventrell said. "It is now prohibited by our code."

Ventrell also asked the House panel to develop policies for stamping out the fraudulent practice.

Rachel Jones is a financial investigations official with Highmark Blue Cross and Blue Shield of Pittsburg. She told Modern Healthcare that patient brokering has plagued the healthcare industry and the addiction treatment industry for years, but, excepting the cases where the broker is already on the government's radar, it's hard-to-impossible to identify a fraudulent policy at the outset, thereby leaving individuals and the system vulnerable to bad actors for at least some period of time.

Jones noted that CMS has added more stringent requirements to special enrollment periods to attempt to verify applicants' authenticity. Since a move to a new state will trigger a special enrollment period for an individual policy, brokers intent on fraud will often use a purported relocation to enroll addicted patients, sometimes listing "addresses" that are nothing more than vacant lots.

Jones said that Highmark has hired a contractor to ferret out fraudulent addresses in a timely manner, though even that isn't immediate and requires multiple checks and steps, including calls for proof of patient identity once a fake address has been flagged. "A lot of times when we try to reach out we don't hear back," she said. "It's hard to track down the people at the time of enrollment."

AHIP sees patient brokering as problematic for

patients and health systems

The NAATP wasn't the only group beseeching the House to flex its muscle against malevolent patient brokers. America's Health Insurance Plans (AHIP) also addressed the panel, albeit via a written statement in which it labeled the scourge of fraudulent brokering a "serious, potentially widespread issue that needs to be addressed with serious solutions."

"These fraudulent, abusive practices not only put patients' lives in grave danger, but they also make it more difficult for people to afford their coverage and care," AHIP wrote. "These practices raise overall health system costs and increase premiums for everyone, not just those who are sent to 'sober homes.'"

California Legislature considers bill aimed at third party payers

Here at home, the California Legislature is weighing a measure that would limit third party payments in certain circumstances. Democratic State Senator Connie Leyva has introduced the bill that would change the rules for third party payments involving substance use disorder treatment facilities, as well as those made to dialysis clinics. The latter component has raised the hackles of the dialysis industry; third party payments are often used to transition dialysis patients from Medicaid plans to private insurance policies.

State insurance expert Kim Holland of the Blue Cross and Blue Shield Association said that despite the lobbying fight the dialysis clause presents, and despite the complexity of the patient brokering issue as a whole, the California proposal is viewed by the industry as having the potential to cut the legs out from subpar treatment centers that would entice patients with premium payments.

"If facilities have financial gain in getting the patient insured, they shouldn't be the person paying the premiums," Holland told Modern Healthcare, "and it is through that, some of the third-party payments, that we're seeing people encouraged and enticed into facilities."

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