



Craig E. Samitt, MD, MBA
Executive Vice President and
Chief Clinical Officer

Tel: (317) 488-6378
Email: craig.samitt@anthem.com

Anthem, Inc.
120 Monument Circle
Indianapolis, IN 46204

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VIA EMAIL

Paul D. Kivela, MD, MBA, FACEP
President
American College of Emergency Physicians

James Brink
Chair, Board of Chancellors
American College of Radiology

Thomas Nickels
Executive Vice President
American Hospital Association

Dear Dr. Kivela, Mr. Brink and Mr. Nickels:

I am writing in response to your letter of February 27, 2018 regarding Anthem, Inc. (Anthem) programs related to inappropriate use of emergency departments and advanced imaging performed in hospital outpatient settings. We agree that making a meaningful impact on rising health care costs, which represent one of the biggest challenges facing our health care system today, requires a different dialogue and engagement between health plans and care providers. As such, we have, and will continue to welcome your suggestions and recommendations relating to any Anthem policy or guideline.

Anthem has a responsibility to its members and employer customers to be responsible stewards of their health care premium dollars, while at the same time ensuring they have access to affordable, quality health care in the most appropriate clinical setting. With respect to Anthem's programs related to the inappropriate use of emergency departments and advanced imaging performed in hospital outpatient settings, our organizations have been in communication, both in person and by phone, regarding these programs multiple times over the last several months. As we have indicated, we welcome your suggestions on how Anthem can make enhancements to these programs. And while your organizations maintain "fundamental disagreement" with these programs, we have made enhancements to address some of your concerns, while maintaining the responsibility we have to our members and employer customers.

Regarding inappropriate use of emergency departments, Anthem is in complete agreement on the inviolability of the prudent layperson standard. Anthem's avoidable ER program requires claims, along

with relevant medical records, to be reviewed by Anthem medical directors to understand the patient's presenting symptoms and reasoning for visiting an emergency department prior to making a coverage decision. In addition, every Anthem medical director who is responsible for reviewing claims under the avoidable ER program receives training on the prudent layperson standard. Anthem has made the decision to implement a number of enhancements to ensure that this program is implemented effectively across our participating markets. We are applying our new and enhanced procedures to previously denied claims in Kentucky (since August 2015), Georgia (since July 2017) and Missouri (since June 2017), and will overturn decisions where the new procedures would have resulted in an approval.

Your organizations routinely cite data from the Centers for Disease Control and Prevention (CDC) indicating that approximately 4% of emergency department visits are "nonurgent." Anthem's experience with its avoidable ER program indicates similar results. While we agree with your suggestion that there are "countless medical conditions beyond stroke, heart attacks, or severe bleeding that still need immediate care," the focus of our program is on the 4% of emergency department visits that do not necessitate care in that setting. We would be interested in your vantage point on the medical conditions that are not appropriate for the emergency room and would welcome you providing us with a list of diagnosis codes that, in your experience, make up the total 4% of "nonurgent" ER visits identified by the CDC. In addition, we welcome the opportunity to partner with you to educate Anthem members, and consumers writ large, on seeking health care services in the most appropriate clinical setting.

Regarding advanced imaging performed in hospital outpatient settings, as a result of our discussions, Anthem made the decision to update its clinical guideline for determining medical necessity by including more clinical indications allowing for imaging to be performed in a hospital outpatient setting. Quality and accessibility are key components of the clinical guideline, but so is cost savings, given the implications for our members and employer customers, especially those facing higher cost-sharing under High Deductible Health Plans. Anthem affiliate, AIM Specialty Health (AIM), determines whether an image meets medical necessity criteria within the clinical guideline. AIM's application of the guideline includes safeguards to ensure that, in the event there is a more appropriate facility to perform the scan, the facility meets certain quality measures, including the specialty and training of the interpreting physician, technologist qualifications, accreditation and equipment. As we indicated previously, we welcome your suggestions on further enhancing the clinical guideline for this program.

We agree that it is important for us to work together on these issues and we will continue to welcome your ideas and suggestions. Our door is always open to the providers who deliver care to the consumers we serve together. We welcome the opportunity to discuss these issues with you again. Please direct the appropriate member of your respective organization to contact Samuel Marchio, Regional Vice President, Federal Affairs at 202-628-7831 or via email at Samuel.Marchio@Anthem.com to schedule a date and time to meet and further discuss these issues.

Sincerely,



Craig E. Samitt, MD, MBA
Executive Vice President and Chief Clinical Officer
Anthem, Inc.