This information will help you understand the complaint and grievance processes available to you through your coverage.

DEFINITIONS

The following new definitions will help you better understand how the complaint and grievance processes work:

Claim

A request made by you or on your behalf for preauthorization, precertification or any other required prior approval of a covered service, or for the payment or reimbursement of the charges or costs associated with a covered service that you have already received. Claims for benefits provided under your Subscriber Agreement include:

1. **Pre-service Claim -** A request for preauthorization, precertification or any other required prior approval of a covered service which, as a condition to the payment of benefits under your Subscriber Agreement, must be approved by Keystone Health Plan West, Inc. ("KHPW") before you receive the covered service.

2. **Urgent Care Claim -** A Pre-service Claim which, if decided within the time periods established by KHPW for making non-urgent care Pre-service Claim decisions, could seriously jeopardize your life, health, ability to regain maximum function or, in the opinion of a physician with knowledge of your medical condition, would subject you to severe pain that cannot be adequately managed without the service requested.

3. **Post-service Claim -** A request for payment or reimbursement of the charges or costs associated with a covered service that you have already received.

For purposes of the claim determination and complaint or grievance appeal procedure provisions of your Subscriber Agreement, whether a Claim or a complaint or grievance appeal of a denied Claim involves a Pre-service Claim, an Urgent Care Claim or a Post-service Claim will be determined at the time that the Claim or complaint or grievance appeal is filed with KHPW in accordance with its procedures for filing Claims and complaint or grievance appeals.

COMPLAINT AND GRIEVANCE PROCESSES

The following information describes the Complaint and Grievance Processes that are available to you:

KHPW maintains complaint and grievance processes, each involving two (2) levels of review. You or your health care Provider may contact the Pennsylvania Department of

Health ("Department of Health") to complain that KHPW's administrative processes or time frames are being applied in such a manner as to discourage or disadvantage you or your health care Provider in utilizing the complaint and grievance processes. Referral of the allegations to the Department of Health will not operate to delay the processing of the complaint or grievance review.

At any time during the internal complaint or grievance process, you may choose to designate a representative to participate in the complaint or grievance process on your behalf. You or your representative shall notify KHPW in writing of the designation. KHPW reserves the right to establish reasonable procedures for determining whether an individual has been authorized to act on your behalf. Such procedures as adopted by KHPW shall, in the case of an Urgent Care Claim, permit a Professional Provider with knowledge of your medical condition to act as your representative.

For purposes of the complaint and grievance processes, you includes yourself, your designees, legal representatives and, in the case of a minor, your parents entitled or authorized to act on your behalf.

At any time during the internal complaint or grievance process, at your request, KHPW will appoint a person from its Member Service Department to assist you, at no charge, in preparing your complaint or grievance. The KHPW employee made available will not have participated in any previous decisions to deny coverage for the issue in dispute.

At any time during the internal complaint or grievance process, you may contact the Member Service Department at the toll-free telephone number listed on your Identification Card to inquire about the filing or status of a complaint or grievance.

COMPLAINT PROCESS

Internal Complaint Process

KHPW maintains a complaint process for the resolution of your disputes or objections regarding a Network Provider or the coverage (including contract exclusions and non-covered benefits), operations or management policies of KHPW or its Designated Agent, delivery of services and the breach or termination of the Agreement. A complaint does not include a grievance. You have the right to have complaints internally reviewed through the two (2) level process described below.

1. <u>Initial Review</u>

Your initial complaint shall be directed to the Member Service Department. This complaint, which may be oral or in written form, must be submitted within one hundred-eighty (180) days from the date that you received the notification of an adverse decision or the occurrence of the issue which is the subject of the complaint. Upon receipt of the complaint, KHPW will provide written confirmation to you that the request has been received, and that KHPW has classified it as a complaint for purposes of internal review. If you disagree with KHPW's classification of a request for an internal review, you may directly contact the Department of Health or the Pennsylvania Insurance Department for consideration and intervention with KHPW in regards to the classification that has been made.

You may, upon request to KHPW, review all documents, records and other

information relevant to your complaint and shall have the right to submit any written comments, documents, records, information, data or other material in support of your complaint. The initial level complaint review will be performed by an Initial Review Committee which shall include one (1) or more employees of KHPW. The members of the Committee will not have been involved or the subordinate of any individual that was involved in any previous decision to deny your complaint. In rendering a decision on the complaint, the Initial Review Committee will take into account all comments, records and other information submitted by you without regard to whether such information was previously submitted to or considered by KHPW and will afford no deference to any prior adverse decision on the claim which is the subject of your complaint.

Each complaint will be promptly investigated and KHPW will provide written notification of its decision within the following time frames:

(a) When your complaint involves a non-urgent care Pre-service Claim, within a reasonable period of time appropriate to the medical circumstances not to exceed thirty (30) days following receipt of your complaint;

(b) When your complaint involves an Urgent Care Claim, within the period of time provided for **Expedited Review**; or

(c) When your complaint involves a Post-service Claim, within a reasonable period of time not to exceed thirty (30) days following receipt of your complaint.

In the event KHPW renders an adverse decision on your complaint, the notification shall include, among other items, the specific reason or reasons for the adverse decision, the procedure for appealing the decision and, in the case of a complaint involving the denial of a Pre-service Claim, a statement regarding your right to pursue legal action in accordance with Section 502 of the Employee Retirement Income Security Act of 1974 (ERISA).

2. Second Level Review

If you are dissatisfied with the decision following the initial review of your complaint, you may request to have the decision reviewed by a Second Level Review Committee. The request to have the decision reviewed must be submitted in writing (or communicated orally under special circumstances) within forty-five (45) days from the date an adverse decision is received and may include any written information from you or any party in interest. The Second Level Review Committee will be comprised of three (3) individuals who were not involved or the subordinate of any individual that was involved in the matter under review. At least one (1) individual of the Committee will not be an employee of KHPW or of any KHPW related subsidiary or affiliate. The Committee will hold an informal hearing to consider your complaint. When arranging the hearing, KHPW will notify you in writing of the hearing procedures and rights at such hearing, including your right to be present at the review. If you cannot appear in person at the second level review, KHPW shall provide you with the opportunity to communicate with the Committee by telephone or other appropriate means.

The hearing will be held and a decision will be rendered on your request for

review and notice of that decision given to you within the following time frames:

(a) When your request for review involves a non-urgent care Pre-service Claim, the hearing will be held and a decision rendered within thirty (30) business days of KHPW's receipt of your request for review. KHPW will provide you with written notification of its decision within five (5) business days of making the decision; or

(b) When your request for review involves a Post-service Claim, the hearing will be held and notice of KHWP's decision will be given to you within thirty (30) days of KHPW's receipt of your request for review.

In the event KHPW renders an adverse decision, the notification shall include, among other items, the specific reason or reasons for the adverse decision, the procedure for appealing the decision and, in the case of a complaint involving the denial of a Post-service Claim, a statement regarding your right to pursue legal action in accordance with Section 502 of the Employee Retirement Income Security Act of 1974 (ERISA).

Appeal of Complaint

You will have fifteen (15) days from the receipt of the notice of the decision of the Second Level Review Committee to appeal the decision to the Department of Health or the Pennsylvania Insurance Department, as appropriate depending on the nature of the dispute. The appeal shall be in writing unless you request to file the appeal in an alternative format.

Appeals may be filed at the following addresses:

Pennsylvania Insurance Department
Bureau of Consumer Services
1321 Strawberry Square
Harrisburg, Pennsylvania 17120

Pennsylvania Department of Health
Bureau of Managed Care
Post Office Box 90
Harrisburg, Pennsylvania 17108

All records from the initial review and the second level review shall be forwarded to the Department of Health or the Pennsylvania Insurance Department, as appropriate. Additional material related to your complaint may be submitted by you, your health care Provider or KHPW. Each shall provide to the other, copies of additional documents provided. You may be represented by an attorney or other individual before the appropriate Department.

GRIEVANCE PROCESS

Internal Grievance Process

KHPW maintains an internal grievance process by which you or your health care Provider, with your written consent, shall be able to file a written grievance regarding the denial of payment for a health care service on the basis of Medical Necessity and Appropriateness. If you consent to the filing of a grievance by your health care Provider, you may not file a separate grievance. This consent may be rescinded by you at any time during the grievance process and, in the event the health care Provider fails to file or pursue a grievance, shall be deemed as having

been automatically rescinded without further action on your part.

A grievance may be filed regarding a decision that: (a) disapproves full or partial payment for a requested health care service; (b) approves the provision of a requested health care service for a lesser scope or duration than requested; or (c) disapproves payment for the provision of a requested health care service but approves payment for the provision of an alternative health care service. A grievance does not include a complaint. You have the right to have grievances reviewed through the two (2) level process described below.

1. Initial Review

Your initial grievance must be submitted in writing (or communicated orally under special circumstances) within one hundred-eighty (180) days following your receipt of the notification of an adverse decision or occurrence of the issue which is the subject of your grievance and shall be directed to the Member Service Department. Upon receipt of the grievance, KHPW will provide written confirmation to you and your health care Provider that the request has been received, and that KHPW has classified it as a grievance for purposes of internal review. If you disagree with KHPW's classification of the request for an internal review, you may directly contact the Department of Health or the Pennsylvania Insurance Department for consideration and intervention with KHPW in regards to the classification that has been made.

You or your health care Provider, upon request to KHPW, may review documents, records and other information relevant to the grievance and shall have the right to submit any written comments, documents, records, information, data or other material in support of the grievance. The initial level grievance review will be performed by an Initial Review Committee which shall include one (1) or more individuals selected by KHPW. The members of the Committee will not have been previously involved or the subordinate of any individual that was involved in any decision relating to the grievance. You or your health care Provider may specify the remedy or corrective action being sought. The initial review will include a licensed Physician or, where appropriate, an approved licensed psychologist, in the same or similar specialty that typically manages or consults on the health care service at issue. In rendering a decision on the grievance, the Initial Review Committee will take into account all comments, records and other information submitted by you without regard to whether such information was previously submitted to or considered by KHPW and will afford no deference to any prior adverse decision on the claim which is the subject of the grievance.

Each grievance will be promptly evaluated and KHPW will provide written notification of its decision to you and your health care Provider within the following time frames:

(a) When the grievance involves a non-urgent care Pre-service Claim, within a reasonable period of time appropriate to the medical circumstances not to exceed thirty (30) days following receipt of the grievance;

(b) When the grievance involves an Urgent Care Claim, within the period of time provided for **Expedited Review**; or

(c) When the grievance involves a Post-service Claim, within a reasonable period of time not to exceed thirty (30) days following receipt of the grievance.

In the event KHPW renders an adverse decision on the grievance, the notification shall include, among other items, the specific reason or reasons for the adverse decision including clinical rationale, the procedure for appealing the decision and, in the case of a grievance involving the denial of a Pre-service Claim, a statement regarding your right to pursue legal action in accordance with Section 502 of the Employee Retirement Income Security Act of 1974 (ERISA).

2. Second Level Review

If you are dissatisfied with the decision following the initial review of your grievance, you may request to have the decision reviewed by a Second Level Review Committee. The request to have the decision reviewed by the Second Level Review Committee must be submitted in writing (or communicated orally under special circumstances) within forty-five (45) days from the date an adverse decision is received and may include any written information from you or your health care Provider. The Second Level Review Committee will be comprised of three (3) KHPW employees who were not involved or the subordinate of any individual that was involved in any decision to deny coverage or payment for the health care service. The Committee will include a licensed Physician or, where appropriate, an approved licensed psychologist, in the same or similar specialty that typically manages or consults on the health care service at issue. The Committee will hold an informal hearing to consider your grievance. When arranging the hearing, KHPW will notify you or your health care Provider, in writing, of the hearing procedures and rights at such hearing, including the right of you or your health care Provider to be present at the review and to present a case. If you or your health care Provider cannot appear in person at the second level review, KHPW shall provide you or your health care Provider the opportunity to communicate with the Committee by telephone or other appropriate means.

The hearing will be held and a decision will be rendered on the request for review and notice of that decision given to you within the following time frames:

(a) When the request for review involves a non-urgent care Pre-service Claim, the hearing will be held and a decision rendered within thirty (30) business days of KHPW's receipt of your request for review. KHPW will provide written notification of the decision within five (5) business days of making its decision; or

(b) When the request for review involves a Post-service Claim, the hearing will be held and notice of KHWP's decision will be given to you within thirty (30) days of KHPW's receipt of your request for review.

In the event KHPW renders an adverse decision, the notification shall include, among other items, the specific reason or reasons for the adverse decision including clinical rationale, the procedure for appealing the decision and, in the case of a grievance involving the denial of a Post-service Claim, a statement

regarding your right to pursue legal action in accordance with Section 502 of the Employee Retirement Income Security Act of 1974 (ERISA).

External Grievance Process

You or your health care Provider, with your written consent, may within fifteen (15) days from the receipt of the notification of the decision of the Second Level Review Committee, appeal the denial resulting from the internal grievance process. This can be done by filing a request for an external grievance with KHPW. You should include any material justification and all reasonably necessary supporting information as part of the external grievance filing.

Within five (5) business days of the filing of the appeal, KHPW will notify the Department of Health, you or your health care Provider, as appropriate, that an external grievance has been filed. KHPW's notification to the Department of Health shall include a request for assignment of a Certified Utilization Review Entity (CRE). KHPW shall forward copies of all written documentation regarding the denial, including the decision, all reasonably necessary supporting information, a summary of applicable issues and the basis and clinical rationale for the decision to the CRE conducting the external grievance within fifteen (15) days of the receipt of notice that the external grievance was filed. Within this same period, KHPW shall provide you or your health care Provider with a list of documents forwarded to the CRE for the external review. You or your health care Provider may supply additional written information, with copies to KHPW, to the CRE for consideration on the external review within fifteen (15) days of receipt of notice that the external grievance was filed.

The external grievance process will be conducted by a CRE selected by the Department of Health. The Department of Health will notify you or your health care Provider, and KHPW of the name, address and telephone number of the CRE assigned within two (2) business days of the notice of the assignment received from the Department of Health. If the Department of Health fails to select a CRE within two (2) business days of receiving the request, KHPW has the right to designate and notify a CRE entity to conduct the external review.

The CRE conducting the external grievance shall review all the information considered in reaching any prior decisions to deny payment for the health care service and any other written submission by you or your health care Provider.

Within sixty (60) days of the filing of the external grievance, the CRE conducting the external grievance shall issue a written notification of the decision to KHPW, you or your health care Provider, including the basis and clinical rationale for the decision.

The external grievance decision may be appealed to a court of competent jurisdiction within sixty (60) days of receipt of the notification of the external grievance decision.

KHPW shall authorize any health care service or pay a claim determined to be Medically Necessary and Appropriate based on the decision of the CRE regardless of whether an appeal to a court of competent jurisdiction has been filed.

Expedited Review

In those cases involving an Urgent Care Claim, there is a procedure for expedited review. In order to obtain an expedited review, you should identify the particular need for an expedited review to the Member Service Department. You shall provide KHPW with a certification, in writing, from your Physician that your life, health or ability to regain maximum function would be placed in jeopardy, or in the opinion of a Physician with knowledge of your medical condition, would subject you to severe pain that cannot be adequately managed without the service requested as a result of the delay occasioned by the review process. The certification shall include clinical rationale and facts to support the Physician's opinion. KHPW shall accept the Physician's certification and provide an expedited review.

In general, KHPW's internal expedited review process shall be bound by the same rules and procedures as the second level grievance review process. Any exceptions to those rules and procedures will be provided, in writing, upon receipt by KHPW of your request for an expedited review.

KHPW shall conduct an expedited internal review and notify you of its decision as soon as possible taking into account the medical exigencies involved but not later than forty-eight (48) hours following receipt of your request for an expedited review accompanied by a Physician's statement. This time frame may be shortened in those cases where your Urgent Care Claim request seeks to extend a previously approved course of treatment and that request is made at least twenty-four (24) hours prior to the expiration of the previously approved course of treatment. In that situation, KHPW will notify you of its decision concerning your Urgent Care Claim to extend that course of treatment not later than twenty-four (24) hours following receipt of your request. The notification to you and your health care Provider shall include, among other items, the specific reason or reasons for the adverse decision including any clinical rationale, the procedure for obtaining an expedited external review and a statement regarding your right to pursue legal action in accordance with Section 502 of the Employee Retirement Income Security Act of 1974 (ERISA).

You have two (2) business days from the receipt of the expedited internal review decision to contact KHPW to request an expedited external review. Within twenty-four (24) hours of receipt of your request for an expedited external review, KHPW shall submit a request for an expedited external review to the Department of Health. The Department of Health will assign a CRE within one (1) business day of receiving the request for an expedited review. The CRE shall have two (2) business days to issue a decision.