Alberta Aids to Daily Living

Bulletin #113

Questions and answers on the private insurance policy from Alberta Association of Orthotists and Prosthetists (AAOP)

The AADL General Policy and Procedure manual, Policy GN-16, was updated in February 2021 to clarify how private insurance impacted eligibility for AADL benefits.

1) The AAOP requires clarification about the private insurance policy GN-16. How are AADL specialty assessors/suppliers to handle this policy?

Below are some overarching highlights about the policy:

- This is a longstanding policy that has been in place for many years; situations have been addressed as needed related to this policy. Compliance with this policy is expected. AADL wants to ensure the policy is clear so it can be appropriately applied as the government transitions to Alberta Blue Cross' (ABC) authorization and claims systems.
- Audits of authorizers, vendors and specialty assessors/suppliers will be conducted by ABC and the requirement to determine other coverage will be part of the overall process. Claim adjustments may occur if pertinent eligibility verification(s) has/have not been completed and documented by AADL authorizers, vendors and specialty assessors/suppliers for the purpose of audit verification, including but not limited to GN-16 policy requirements.
- Per the GN-16 policy that was recently clarified, if a client has private insurance that covers 100 per cent of the benefit, this signifies client ineligibility for AADL coverage, and thus clients should be using private insurance coverage first, before accessing AADL. It should be noted this clarification has a broader and more inclusive definition and should be a significantly easier application than previous understanding. (i.e., all applicable coverage per the GN-16 policy should be exhausted before accessing AADL).
- Based on AADL's understanding of client demographics, private insurance, and the cost of prosthetic and orthotic (P&O) benefits, it is expected that the number of clients whose insurance covers 100 per cent will be low.
- 100 per cent private insurance coverage is handled in much the same way that coverage through the Non Insured Health Benefits (NIHB) program or Workers Compensation Board (WCB) program is handled. If a client is covered by those agencies, they are ineligible for AADL.
- The client bears a degree of responsibility as per the AADL client declaration and policy. If they have 100 per cent coverage for the benefit in question, it is the responsibility of the client to clarify and secure that coverage through their private insurance plan. If 100 per cent coverage through their private insurance plan has been ruled out, eligibility via AADL can be considered.
- If private insurance coverage is unclear after the patient has given their best effort to clarify their coverage (i.e., they have called or emailed their private insurance provider(s) to ask if they have 100 per cent private insurance - coverage which may include spousal or co-ordinated benefits), it is assumed 100 per cent private coverage is ***not*** available. Therefore, and should clients meet all other pertinent general and specific AADL eligibility requirements, AADL specialty assessors/suppliers can proceed with AADL benefits. Eligibility verifications are to be documented by AADL authorizers, vendors and specialty assessors/suppliers for the purpose of audit verification, including, but not limited to, GN-16 policy requirements.

a. Do all clients need to confirm private insurance coverage prior to commencement of service?

Yes, as per, and in accordance with policies: GN-11 (specialty supplier), GN- 16 (client eligibility) and GN-19 (client responsibility). Should clients meet all other pertinent general and specific AADL eligibility requirements, AADL specialty assessors/suppliers may proceed with AADL benefits. Eligibility

©2021 Government of Alberta | July 8, 2021 | Alberta Health
Classification: Public

verifications are to be documented by AADL authorizers, vendors and specialty assessors/suppliers for the purpose of audit verification, including, but not limited to, GN-16 policy requirements.

b. **Having patients confirm their private insurance coverage will cause delays in the provision of treatment. How are AADL specialty assessors/suppliers to deal with inpatients in either acute care or rehabilitation facilities who require thoracic lumbar sacral orthosis, ankle foot orthosis, stump protectors and prostheses? Often, AADL specialty assessors/suppliers are "pressured" to treat the patient as soon as possible so the patient can be discharged quickly**.

Per the GN-16 policy, and should clients also meet all other pertinent general and specific AADL eligibility requirements, confirmation of client private insurance coverage remains a requirement to establishing client eligibility for AADL funding. Notifying patients [and/or other responsible person(s)] ahead of patient appointment time(s) may improve the efficiency of determining private insurance coverage. With advance notice, patients [and/or other responsible person(s)] can have that information available and avoid unnecessary delays.

In keeping with other benefits offered through AADL, regardless of practice setting or patient care environment, policy requirements remain the same wherever a client may be seen. If a unique scenario comes up that cannot be resolved, please contact the benefit area manager.

c**. Will AADL pay for repairs and modifications on a brace/prosthesis funded by private insurance when repairs and modifications are not paid by private insurance?**

Instances where an orthotic brace or prosthesis is fully funded by private insurance and clients and AADL specialty assessors/suppliers have verified that the required repairs or modifications are not paid by private insurance, AADL can be considered on a case-by-case basis. Such consideration will be granted when: (1) client access to private insurance [including other sources of funding per GN-16] has been ruled out and is ***not*** available, ***and***; (2) the client meets all other pertinent general and specific AADL eligibility requirements. Consistent with policy OP-02, namely that AADL does not fund benefits that perform duplicate functions, consideration of funding repairs or modifications applies to a client's primary orthotic or prosthetic device(s), and ***not*** multiple devices. Similarly, consideration of AADL funding for repairs or modifications is also subject to policy OP-01, in that AADL only provides funding for one device (either orthotic or prosthetic), per limb or limb segment at a time, subject to the limits described in Policy OP-04. In addition, where prior approval requests are concerned, consideration may be granted if AADL deems repair(s) or modification(s) cost effective to fund, as compared to associated replacement cost(s).

Lastly, per GN-16 and GN-19, if clients and AADL specialty assessors/suppliers have together fulfilled the aforementioned policy-specific obligations, and have verified [i.e. documentation] that other sources of funding have been ruled out or exhausted, then approved product list-specific repair or modification requests can be applied or where prior approval is concerned, submitted to AADL for consideration.

d. Within a treatment plan, there can be various items included with some eligible for private insurance while others are not. Are AADL specialty assessors/suppliers of orthotic, prosthetic and footwear benefits to handle authorizations separately or would the entire treatment and benefits be grouped together (i.e., P017 socket, N620 standard gel cushion liner, N174 complex generic foot)?

Each new AADL authorization – whether for a single or multiple benefit item(s) – requires verification of client eligibility per GN-16 policy requirements including all other pertinent general and specific AADL eligibility requirements.

Authorizations of eligible benefits from different approved product lists warrant separate evaluations, and must be authorized as such.

Authorization of eligible benefits from the same approved product list may be evaluated together and can also be included under a single authorization.

Overall, required eligibility verification(s) and associated authorization(s) may be for a single or multiple benefit item(s). As such, the GN-16 policy requirement for private insurance is to be verified for all benefit items that comprise a new AADL funded device, that is funded: (1) under the same authorization, ***and***; (2) as is required for each new authorization [e.g., orthotic or prosthetic device with all required components]. The total cost of benefit items that would appear under each new authorization should be applied when determining whether there is 100 per cent coverage by another funding agency. This consideration also applies to prior approval authorization requests for same approved product list benefits for: (1) early replacement [especially via the QFR mechanism], and; (2) modifications or repairs.

2) The AAOP has expressed that the private insurance process and the current AADL model do

©2021 Government of Alberta | July 8, 2021 | Alberta Health
Classification: Public

not mirror each other, which can delay treatment and billing, and negatively impact patient outcomes. Moreover, the AAOP has expressed that it appears as though the interpretation of the private insurance policy within AADL has changed, and that prosthetic and orthotic providers cannot access private insurance coverage and billing directly like a dental office or hearing aids office, meaning that funding applications must go through the patient, and are primarily funded and refunded via the patient. As such, the AAOP has highlighted that this on its own is a service delivery barrier.

In the majority of cases, treatment delays and outcomes concerning AADL should not be significantly impacted if the client has been made aware of pertinent AADL eligibility requirements including, but not limited to, the GN-16 policy. The policy has not changed, nor has the legislation since the inception of the AADL program. What has been clarified is the definition of "same or similar" benefit within the policy to more fully align with the legislation. If a client has private insurance that does cover 100 per cent of the benefit(s), they use their private insurance. As such, for non-AADL clients, vendors are required to directly arrange and manage payment and reimbursement with clients. However, if a client has private insurance that does ***not*** cover 100 per cent of the benefit(s), ***and*** should clients meet all other pertinent general and specific AADL eligibility req**uirements**, AADL specialty assessors/suppliers can proceed with AADL benefits.

Lastly, direct billing is not generally used for other AADL benefits, and is not expected. Significant service delays should not occur, as the process is clear.

3) The AAOP has expressed that AADL specialty assessors/suppliers cannot access a patient's private insurance policy or their spouse's policy to confirm coverage details, which is similar to how AADL specialty assessors/auppliers access AADL E-Business.

It is a client's responsibility to access their private insurance, including coordination of spousal or family private insurance.

If the client has 100 per cent coverage through combined private insurance plans, they access that first, as this would preclude a client from AADL funding eligibility given policy GN-16 criteria/requirements.

a) The AAOP acknowledges, and thus has expressed, limitations of prosthetic coverage from private insurance includes, but is not limited to one limb per lifetime. What happens once this is exhausted?

Depending on how each private insurance provider may define "lifetime" with respect to eligibility term or duration, AADL may then serve as an option if 100 per cent coverage is ***not*** available.

b) The AAOP has expressed that reasonable and customary amounts vary greatly and are often not representative of the realities of the costs of prosthetic care. Additionally, these are often not included in the insurance policy provisions provided to the patient, but rather represent an internal policy, which requires additional navigation.

If a client has private insurance that does ***not*** cover 100 per cent of the benefit(s), ***and*** should clients meet all other pertinent general and specific AADL eligibility requirements, AADL specialty assessors/suppliers can proceed with AADL benefits.

c) What happens with maximum contribution amounts (per year, every few years, per lifetime, etc.) and other frequency limitations?

Depending on how each private insurance provider may define "maximum contribution amounts" [i.e. "per year," "every few years," "per lifetime," etc.] including other pertinent "frequency limitations" that might apply, AADL may then serve as an option if 100 per cent coverage is ***not*** available.

Where AADL funding is concerned, AADL "maximum contribution amounts" including total cost(s) subject to benefit-specific quantity and frequency limits and AADL cost sharing, are stipulated, and thus subject to, pertinent AADL approved product listings, and associated policy clauses.

Overall, each new AADL authorization – whether for a single or multiple benefit item(s) – requires verification of client eligibility per GN-16 policy requirements including all other pertinent general and specific AADL eligibility requirements. If a client has private insurance that does ***not*** cover 100 per cent of the benefit(s), ***and*** should clients meet all other pertinent general and specific AADL eligibility requirements, AADL specialty assessors/suppliers can proceed with AADL benefits.

d) What about pooled health benefits? How is this applied when other medical needs are also drawn from these sorts of plans?

It is a client's responsibility to access their private insurance, including coordination of pooled health benefits.

©2021 Government of Alberta | July 8, 2021 | Alberta Health
Classification: Public

If the client has 100 per cent coverage through combined private insurance plans, they access that first, as this would preclude a client from AADL funding eligibility given policy GN-16 criteria/requirements.

4) The AAOP acknowledges, and thus has expressed, that private insurance will only reimburse the patient after the service is provided. This means patients need to pay in full and then submit a claim for reimbursement. As such, the AAOP is concerned that patients cannot afford to finance the expense through available credit or cash (for an above knee prosthesis they may need to have access to $15,000).

While this is expected to be a very small number of cases, if a client has private insurance that covers 100 per cent of the benefit(s) ***and/or*** should a client ***not*** meet any other pertinent general and specific AADL eligibility requirements, service provision and associated remuneration is outside the scope of AADL funding. For clients deemed ineligible for AADL funding, it remains the responsibility of the business owner/operator to evaluate risk associated with service provision, and where services are provided outside of AADL, seek and arrange remuneration for services provided directly with the client.

If required to assist with the process, AADL can clarify funding limits, and provide proof of AADL denial concerning funding limits or ineligible funding.

Private insurance coverage is not deemed unclear until requisite action has been taken by clients and AADL specialty assessor/suppliers to determine the level of coverage.

5) The AAOP has expressed that private insurance providers believe themselves to be the payer of last resort, and that inquiries are usually returned indicating "what does the province/AADL cover?" Without a "preauthorization" request with written approval from the insurance provider, patients may not be fully reimbursed for the claim they submit. It is also important to note that "preauthorization" requests often consume additional clinical and administrative time and take weeks to process on the insurer side, which is another barrier to treatment.

Per GN-16 policy, the following applies concerning the private insurance query "what does the province/AADL cover?" – ***nil,*** should a client have private insurance that ***does*** cover 100 per cent of the benefit(s), ***and/or*** should a client ***not*** meet any other pertinent general and specific AADL eligibility requirements. Private insurance coverage is not deemed unclear until requisite action has been taken by clients and AADL specialty assessor/suppliers to determine the level of coverage. Verification of private insurance coverage is ultimately the client's responsibility, as is coordination of payment via their insurance company. Informing the client ahead of their first appointment may alleviate timing issues.

However, if private insurance coverage is unclear after the patient has given their best effort to clarify their coverage (i.e., they have called or emailed their private insurance provider(s) to ask if they have 100 per cent private insurance – coverage which may include spousal or coordinated benefits), it is assumed 100 per cent private coverage is ***not*** available. Therefore, and should clients meet all other pertinent general and specific AADL eligibility requirements, AADL specialty assessors/suppliers can proceed with AADL benefits. Eligibility verifications are to be documented by AADL authorizers, vendors and specialty assessors/suppliers for the purpose of audit verification, including but not limited to GN-16 policy requirements.

6) The AAOP has expressed that AADL specialty assessors/suppliers are anticipating that AADL clients who purchase additional insurance coverage, knowing that some items are not covered by AADL, may drop or report dropping their private insurance for prosthetics to receive prompt service. This means that previously applied over quantities will proceed directly to AADL *Quantity Frequency Review (QFR)* without a private insurance request.

Per GN-19, clients are expected to participate ***honestly*** and ***fully*** in their assessment; including full disclosure of any other funding sources. If clients identify that they do not have private insurance [or other pertinent coverage per GN-16 criteria/requirements], AADL would take this information at face value as has always been the case. Therefore, if a client does ***not*** have private insurance that covers 100 per cent of the benefit(s), ***and*** should a client meet all other pertinent general and specific AADL eligibility requirements, AADL specialty assessors/suppliers can proceed with AADL benefits.

7) The AAOP has expressed there are some opportunities with respect to private insurance; however, there are some significant issues that need to be addressed. Is AADL open to working with AAOP to come up with a solution that would increase involvement of private insurance and not compromise clinic operations and patient treatment?

©2021 Government of Alberta | July 8, 2021 | Alberta Health
Classification: Public

Yes, within the confines of legislative and policy parameters, AADL remains open to discussion pertaining to additional specific operational challenges related to the topic.

8) The AAOP proposes that any clarification from AADL be written into policy to prevent potential policy misinterpretation in the future.

AADL will not be including any additional scenarios into GN-16 for prosthetics and orthotics as that policy also covers other benefit lines, and is operationally pan-program in scope per the AADL regulation and associated AADL general policies and procedures. Specific scenarios can be addressed in a Q&A and answers posted as a bulletin for future reference.

©2021 Government of Alberta | July 8, 2021 | Alberta Health
Classification: Public