



Consumer Complaints: Crucial Tool for Improving Health Care

Consumer complaints are a crucial means of ensuring that consumers get value for their insurance coverage. In particular, complaints are one way to document the insurance problems that keep consumers from accessing the health care they need. But the complaints system is not being used to its fullest potential. *It's time to educate consumers and to leverage consumer complaints to make lasting change in our health care system.*

What are consumer complaints?

Private insurance is regulated at the state level by the [Department/Division of Insurance](#) (DOI), which is also tasked with collecting and resolving consumer complaints. Consumers may file complaints about any insurance policy or plan sold by an insurance company. Complaints can be submitted about a variety of types of insurance, including auto, home, business and health. For health insurance, the DOI is responsible for “[fully insured](#)” plans and plans sold on the state marketplace. In states that operate their own state-based marketplaces, a complaint may also be filed with the state marketplace. The DOI does not have jurisdiction over Medicaid, Medicare, Tricare, or other Federal plans, or over employer plans that are “[self-insured](#).” Problems with health coverage provided by the state Medicaid program can be filed with the state’s Medicaid office.

Before [filing a consumer complaint](#), the consumer typically must file an [internal appeal](#) directly with their insurance company challenging the insurance claim that has been denied. Unfortunately, the internal appeals process is complex, and individuals may need support from an expert, such as a health advocate, who is familiar with the process. Luckily, health insurance appeals are often decided in consumers’ favor. If no help is available in their state and the consumer feels unable to file an appeal herself/himself, the consumer should proceed with filing a complaint to ensure that state regulators are made aware of the issue they are experiencing with their health coverage.

Why focus on consumer complaints about health care?

Health consumers often experience problems with their health insurance coverage that harm their health. Many are unfairly denied the coverage they are entitled to under their insurance contract or under state or federal law, including the [Essential Health Benefit](#) standards. For example, if a consumer receives a [surprise medical bill](#) from an out-of-network provider who treated her/him at an in-network hospital, the consumer could file a complaint challenging the bill. In another

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scenario, an insurer could refuse to cover residential substance use disorders treatment, asserting that the treatment was not medically necessary. A consumer complaint about this problem could assert that the consumer is entitled to covered treatments determined by her/his provider to be medically necessary. If similar medical/surgical services are typically covered, the complaint may also question whether this denial is a [parity violation](#). Complaints may be filed to document many types of health insurance problems. Feedback from consumers about their experiences helps identify limitations with health plans and build a case for systemic solutions.

Most consumers are not aware that they have the right to file a complaint about their insurance. A 2015 [Consumers Union report](#) found that 83 percent of Americans have never complained to a government agency about any issue (e.g. cable bill, credit report error, bank fees, health insurance). Moreover, 87 percent don't know the state agency/department tasked with handling health insurance complaints. Some consumers are part of marginalized demographic groups and may be doubly or triply disadvantaged when it comes to health equity related to race, ethnicity, sexual orientation or gender identity, disability, immigration status, primary language, [behavioral health needs](#) and/or income level. Reporting health insurance problems to state regulatory agencies is one way that vulnerable consumers can stand up for themselves against discrimination, and consumer health advocates can help ensure that all consumers have access to equitable health coverage

In addition to helping individual consumers solve their health insurance problems, consumer complaints provide an opportunity to [document the experiences of consumers](#) in the aggregate, enabling data collection for future improvement. Regulatory agencies receiving a large number of complaints about a particular insurance carrier or claim denials related to a particular type of covered benefit (for example, behavioral health) may be able to use consumer complaints data to change policies to ensure fair treatment for all consumers.

What can health stakeholders do to help?

Consumer Health Advocates

Consumer health advocates have long been involved in encouraging insurers and state agencies to adopt more consumer-friendly health policies. Public education efforts about consumer complaints processes and state-based advocacy to improve the complaints process fit neatly into the existing goals of health advocates. The consumer complaints process is one method of gathering more complete data about the scope of health plan misconduct and non-compliance with state and federal health plan requirements.

Advocates can help consumers understand the best method of addressing health insurance problems, especially regarding when they should [appeal to their plan](#) and when it is appropriate to file a complaint. Health advocates can also work directly with consumers and assist them in filing complaints. Consumers should know that filing a complaint will not impact their current coverage, and that retaliation by the insurer is prohibited.

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Consumers aren't the only ones who need information about consumer complaints. Health advocates can serve as a bridge for sharing information about consumer complaints and the complaints process with stakeholders such as provider associations, individual providers, Navigators and other enrollment assisters, and advocates working on behalf of consumers of color, linguistic minorities, LGBT consumers, or consumers with specific illnesses, including mental health and substance use disorders. Advocates may want to partner with providers and enrollment assisters to provide training about the complaints process and how best to work together to support consumers.

In addition, [consumer complaints advocacy](#) and the sharing of information between consumer advocates and the DOI can serve as a jumping off point for relationship-building between [advocates and state insurance regulators](#).

Health Care Providers

Providers have a stake in ensuring that insurance companies are following state and federal health plan requirements. Providers are often the first to know about consumers' problems with their health insurance. When plans deny consumers coverage or do not pay for the services that consumers have received, providers and consumers both lose out.

Provider associations can play a role in disseminating educational information about consumer complaints and the complaints process to relevant providers. Individual providers can help to educate their clients about the consumer complaints process as well as help consumers with filing an appeal.

Navigators and Enrollment Assisters

Navigators or other enrollment assisters operate in every state, serving as a primary point of contact for individuals who are newly enrolled in health coverage. Many of these individuals did not previously have health insurance and are not familiar with insurance policies and procedures, making them vulnerable to insurance misconduct. Increasingly, newly enrolled individuals are turning to Navigators and other enrollment assisters when they have issues with their insurance post-enrollment, but not all assisters are properly trained to help.

Assisters should become familiar with the consumer complaints process and be prepared to help consumers file complaints with state agencies when necessary. Educating consumers about complaint options and helping consumers file complaints are both allowable activities for Navigators and assisters. Assisters who work directly with the most vulnerable consumers, such as people of color, LGBT consumers, linguistic minorities, or those who speak English as a second language, should consider their role in supporting these consumers in filing complaints to report health insurance discrimination.

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Consumers have several options when it comes to disputing insurer decisions about their health care:

- 1. File an [internal appeal](#) with the insurance company.** Most of these appeals are decided in the consumer's favor. Help [may be available in your state](#) for consumers seeking to appeal insurance decisions.
- 2. Complain to a state insurance regulatory body**
 - Complain to the Department of Insurance (DOI) if the issue is with a private or marketplace plan. In states that operate their own state-based marketplaces, a complaint may also be filed with the state marketplace.
 - Complain to the state Medicaid office if the issue is with a Medicaid plan.
- 3. Complain to the Attorney General's office (AG).** If you suspect your insurance problem is related to behavioral health parity, complaints can be filed with the AG. Responsibility for enforcing the federal parity law is shared between the federal and state governments, with the attorney general of each state tasked with primary enforcement.
- 4. Directly contact the relevant federal agency**
 - If the insurance is provided through a private employee benefit plan, it may be covered by the Employee Retirement Income Security Act (ERISA). Call the ERISA toll-free line for Consumer Assistance inquiries 1-866-444-3272 or [submit an inquiry online](#).
 - If the insurance is provided by the public sector, contact the Centers for Medicare and Medicaid Services (CMS). Call the CMS Health Insurance Hotline 1-877-267-2323, ex. 6-1565 or send an email to phig@cms.hhs.gov.
 - A consumer who believes they have been discriminated against because of race, color, national origin, disability, age, sex or religion may [file a complaint](#) with the federal Office of Civil Rights (OCR). Complaints can be filed by the affected consumer or by someone else on their behalf, and must be submitted within 180 days of when the act or omission complained of occurred or was learned of.

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