



LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON
COMMISSIONER

DIRECTIVE 203

June 10, 2008

TO: ALL HEALTH INSURANCE ISSUERS, HEALTH MAINTENANCE ORGANIZATIONS, LIMITED BENEFIT HEALTH PLANS AND SELF-INSURERS

RE: PAYMENT AND REIMBURSEMENT FOR HEALTH CARE SERVICES RENDERED BY A LICENSED CHIROPRACTOR AND THE CO-PAYMENT, COINSURANCE, DEDUCTIBLE OR BENEFIT LIMITATION IMPOSED ON AN ENROLLEE OR INSURED FOR HEALTH CARE SERVICES RENDERED BY A LICENSED CHIROPRACTOR

It has come to my attention that two issues have arisen concerning health care services provided by a chiropractor to a person covered by a plan issued by a health insurance issuer. The first issue pertains to the right of access by the enrollee or insured to obtain covered health care services rendered by a chiropractor licensed pursuant to LSA - R.S. 37:2801, et seq. The second issue pertains to covered health care services rendered by a licensed chiropractor to an enrollee or insured for which payment or reimbursement is due from the health insurance issuer to the licensed chiropractor. In both situations all interested parties are controlled by the statutory provisions pronounced in LSA R.S. 22:668.

The right of access by an enrollee or insured is improperly affected when the health insurance issuer classifies a licensed chiropractor as a "specialist" such that the amount of the co-payment, coinsurance or deductible to be paid by the enrollee or insured is greater than the co-payment, coinsurance, or deductible with regard to another health care provider, or the benefit limitation imposed upon the enrollee or insured is different than the benefit limitation with regard to another health care provider performing medical treatment for the same

or similar condition. This is different than the right of a licensed chiropractor to receive payment or reimbursement for a covered health care service which would be subject to the contractual relationship established between the health insurance issuer and the licensed chiropractor.

Charged with the duty of administering the provisions of the Louisiana Insurance Code and all other Louisiana laws applicable to health insurance issuers licensed and/or operating in Louisiana, I hereby order every health insurance issuer, health maintenance organization, limited benefit health plan and self-insurer (hereinafter jointly referred to as a health insurance issuer) providing group and individual major medical health coverage in Louisiana to comply with Directive 203 and the statutory requirements of LSA - R.S. 22:668.

As stated herein, all health insurance issuers are controlled by the provisions of LSA - R.S. 22:668(A)(1). This specific statutory provision states, in pertinent part, that:

Notwithstanding any provision of any policy or contract of insurance or health benefits issued after the effective date of this Section, whenever such policy or contract provides for payment or reimbursement for any service, and such service may be legally performed by a chiropractor licensed in this state, such payment or reimbursement under such policy or contract shall not be denied when such service is rendered by a person so licensed. Terminology in such policy or contract deemed discriminatory against any such person or method of practice shall be void.

As it relates to the first issue, any practice by a health insurance issuer that could be construed to deny an enrollee or insured the right of access to covered health care services rendered by a licensed chiropractor would constitute a violation of LSA - R.S. 22:668. Louisiana appellate courts have held that the practice of a health insurance issuer that has the effect of encouraging an enrollee or insured to seek health care services from a medical doctor who is a health care provider rather than a licensed chiropractor, such as by capping coverage for health care services typically provided by a licensed chiropractor, violates LSA - R.S. 22:668. See Chiropractor Assoc. of La. v. State, 595 So.2d 316 (La. App. 1 Cir. 1991) and Nosser v. Health Care Trust Fund Bd., 666 So.2d 1272 (La. App. 2 Cir. 1996).

The direct effect of the practice of requiring an enrollee or insured to pay a higher co-payment, coinsurance or deductible, or imposing a different benefit limitation upon an enrollee or insured for a covered health care service rendered by a chiropractor as opposed to another health care provider, is to influence the freedom of choice vested with the enrollee or insured regarding whom he chooses to render a covered health care service, i.e. from a chiropractor or another health care provider. This is precisely the type of discrimination between chiropractors and other health care providers that is strictly prohibited by Louisiana courts and LSA - R.S. 22:668.

The classification of a health care provider as a "specialist" is irrelevant and can have no effect whatsoever on a licensed chiropractor due to his protected status under LSA - R.S. 22:668. A health insurance issuer can not use a classification system or any other mechanism that results in a licensed chiropractor being the subject of disparate treatment that violates LSA - R.S. 22:668. Based upon the foregoing, a health insurance issuer that imposes a higher co-payment, coinsurance or deductible, or imposes a different benefit limitation on the enrollee or insured who chooses a licensed chiropractor instead of another health care provider to render a health care service for the same or similar medical condition is in violation of LSA - R.S. 22:668. A health insurance issuer must apply the same co-payment, coinsurance, deductible, and benefit limitation to a licensed chiropractor as it does to any other health care provider with regard to a health care service for the same or similar medical condition.

This practice is distinguishable from the second issue regarding the payment or reimbursement paid by the health insurance issuer to a licensed chiropractor that falls under the contractual arrangements between the health insurance issuer and the licensed chiropractor. While reimbursement or payment is statutorily mandated, the specific contractual arrangement between these two parties is not regulated by LSA - R.S. 22:668.

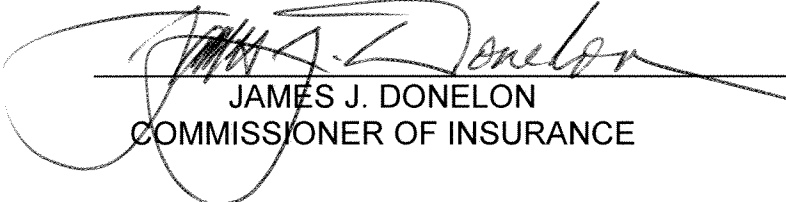
The plain language of LSA - R.S.22:668 addresses the relationship between the health insurance issuer and the enrollee or insured, not the relationship between the health insurance issuer and licensed chiropractor or any other health care provider. The statute essentially provides that if an enrollee or insured seeks treatment for a covered condition from a licensed chiropractor, and the licensed chiropractor is acting within his license in providing that health care service, then the health insurance issuer shall not deny benefits to the enrollee or insured because he chose a licensed chiropractor instead of another health care provider. The statute does not address the amount of the payment or reimbursement that the health insurance issuer must pay to the licensed chiropractor who renders the service.

LSA - R.S.22:668 does not require a health insurance issuer to make an identical monetary payment or reimbursement to a licensed chiropractor as it does to a health care provider who performs the same or similar health care service. Among the parties, this is a matter that falls under the general right of freedom of contract.

Any questions regarding Directive 203 should be addressed to Warren E. Byrd, Executive Counsel, at (225) 342-7276 or electronically at wbyrd@ldi.state.la.us, or to Karen Winfrey, Deputy Commissioner of Health, at (225) 219-1633 or electronically at kwinfrey@ldi.state.la.us.

Please be governed accordingly.

Baton Rouge, Louisiana, this 10th day of June, 2008.



JAMES J. DONELON
COMMISSIONER OF INSURANCE