

Making Policy Decisions for Insurance Coverage: One Nurse's Role

An Interview by *Pediatric Nursing* with Diane Ward

Imagine assessing new medical technologies every day and making recommendations concerning their effectiveness. This is exactly what Diane Ward, a medical policy research consultant for a large insurance company in Tennessee, does. Historically, medical research was primarily done in academic settings with very little research being sponsored or done by for-profit businesses. Now, much of the research presented on new technologies and drugs is performed and overseen by for-profit companies. This provides practical and ethical dilemmas for physicians, insurance companies, and the patient. Outcome data and study methodology must be scrutinized and placed alongside an understanding of study location and sponsorship. It is imperative that valid, unbiased data is presented to treating physicians and their patients. This is also important in making insurance coverage determinations. Unfortunately, the physician and the patient do not always know whether the data they have before them on a new technology is accurate and unbiased.

To differentiate between valid, statistically significant data and biased data, insurance researchers consult multiple resources on new and established technologies. Diane's company strives to find the data that supports covering a service. The best treatment often yields the best outcomes. She drafts a proposed medical procedure based on an evaluation of research data in peer-reviewed journals. Licensed physicians both inside and outside the company evaluate the procedure and her research. Once approved by medical professionals, other committees review the proposal for potential computer systems configuration and cost impact. These committees consist of marketing personnel, programmers, underwriters, member and provider services personnel, and other insurance professionals at all levels of the company. These procedures help in determining whether the company will pay benefits for treatments.

This is an exciting area in which other nurses may be interested. It requires, among other things, a strong interest in evidence-based research; the ability to find, evaluate, and

use Internet information; and a solid clinical background. In order to inform other nurses who might want to pursue such a career, *Pediatric Nursing* (PN) posed questions to Diane in the following interview:

PN: What is it that you do?

Ward: Reviewing research data is a daily occurrence for a medical policy researcher. The medical policy area is a one-stop research reference area for the company. Because of the volume of new medical technologies being introduced, a standard method of evaluating each technology must be in place. This is accomplished by evaluating evidence-based research data and using it to develop proposals for medical policy. These proposals result in medical policies and other clinical tools that are used by case managers, medical directors, and others in making coverage decisions.

In general, research studies on new technologies are evaluated in relation to standard scientific methodology. I look for a pretest, a posttest, an experimental group, a control group, and randomization in the studies I review. It also helps if the study is blinded and multicenter so that there is less of a chance of the results being influenced by the researchers involved or unique to one center. Whether it is on the Internet or in such sources as the *Journal of the American Medical Association* or the *New England Journal of Medicine*, the study data must be peer-reviewed. The study must also include a sufficient number of study subjects in relation to the population available. A small number of subjects in a study on a diabetic treatment, for example, is not likely to produce statistically significant results.

Although formulation of medical policies is one of my main job functions, it is not the only thing that I do. I often receive phone calls from internal physicians asking for interpretations of existing medical policy or asking for information on technologies that have no medical policy. I also assist in compiling clinically based guidelines for other areas of the company. Recently, guidelines were requested for bone marrow/stem cell transplantation by our case management area. Case management needed these guidelines in order to make determinations for appropriate treatment. The guidelines I assisted in developing specifically described the disease process and provided an overview of the disease, diagnosis, standard treatment, and the potential benefit for bone marrow transplantation.

PN: How were you trained, and what were your previous qualifications?

Ward: In my previous nursing life, I was a staff nurse as well as an assistant nurse manager in a medical intensive care unit. My experiences included direct patient care, assistance to physicians, and patient advocacy. I worked both in pre-op and recovery for same-day surgery. Also, I assisted in teaching emergency medications and advanced life support for a critical care class.

My exposure to many different nursing situations assists me in processing large amounts of data to reach a conclu-

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Pediatric Ethics, Issues, & Commentary focuses on exploring the interface between ethics and issues in clinical practice. If you have suggested topics or cases for consideration in the column, please contact Anita J. Catlin, DNSc, FNP; 230 Hillside Avenue, Napa, CA 94558; (707) 226-9002.

sion. A nurse doing this job needs both a broad and practical understanding of patient disease processes. The nurse needs to have a real world understanding of particular treatments and how they impact patients. It is also important to understand research methodology. This is essential to be able to differentiate between valid and invalid information on the Internet and elsewhere.

PN: How do you view the current role of insurance companies?

Ward: Insurance companies are often perceived as the "bad guy" in today's health care environment. Some of us are diligently trying to change that perception. As insurers, we are realizing that it is necessary to partner with physicians, facilities, and members to provide quality, cost-effective provision of care. We need to find ways to work together towards this end. My work in medical policy allows me to play a role in this. We often seek input from the medical community in formulating policies. We want to find the best mix of outcomes based on information and physician experience.

As an example of this, I recently participated in a meeting with physicians from Vanderbilt Medical Center in order to understand the in utero procedure of repairing myelomeningocele. The myelomeningocele is a birth defect of the spine that occurs as a result of spina bifida. The standard treatment is the surgical closure of this congenital malformation after birth. The purpose of the Vanderbilt meeting was not only to realize what is involved with the technical aspect of performing this surgery in utero, but also to know the impact upon the patient and family. Our interest was in coming to a mutual understanding of the benefits of this procedure as well as the potential risks to both the mother and the fetus. I identified the need to develop and share outcome data that is vital from both a clinical and an insurance perspective.

PN: What difficulties do you face?

Ward: The sheer number of new medical technologies can be overwhelming. New drugs and vaccines become available almost weekly, to say nothing of newly developed procedures and new applications of old procedures. Some of these drugs, devices, and vaccines directly involve the pediatric population of our country. We evaluate the data and provide a summary and proposal, but sometimes the vaccines and/or drugs are approved before we know what long-term side effects may occur. In some instances, a federally approved treatment has resulted in detrimental health consequences. The Rotavirus vaccine for infants, for example, was presented and approved through committees on the basis of its FDA approval and preliminary health outcome data. Several weeks later this vaccine was recalled due to reports of intussusception, and we rescinded our medically necessary classification.

Dilemmas also occur with the evaluation of new technologies relating to transplantation in pediatric patients for various indications. While the desire to use the latest treatment is strong, no one wants to "experiment" on a child. The result is that the health outcomes in this area are not often known. We have to focus on the net health benefit of the newly proposed treatment versus what is available now.

I will use maternal/fetal surgery again as an example of the dilemmas I often face. This surgery involves operating on both the pregnant woman and the fetus. Although potentially revolutionary, the risks must also be considered. The questions we ask are: What are the risks to the mother, the fetus, and the eventual child? Do the benefits outweigh the risks? What are the health outcomes? Should the insurer pay for procedures without complete outcome data? These situations are very difficult for a person who is a nurse, mother, wife, and compassionate individual. Luckily, I do not

have the final responsibility, as we have a series of committees that consider new medical technology proposals.

There are also times when my proposals are overruled. Recently, a proposal for small bowel transplantation for adults was presented to our medical assessment committee. We had recommended that it was medically necessary for an adult to have a small bowel transplant. However, internal and external physicians did not agree with the proposal. The consensus was that the outcome data did not reflect benefit versus substantial risk. This application of small bowel transplantation for adults was, therefore, considered investigational and not covered by insurance.

PN: What is your worst ethical nightmare?

Ward: My worst experience is one in which a patient has a terminal illness, and no proven treatments are available. Should the patient opt to have a treatment that is unproven or investigational, then they must pay for it themselves. Such treatments are often expensive, but often patients see them as their only chance. On the insurer's side, paying for every experimental and investigative treatment would soon bankrupt the companies for which we either provide or administer health insurance. While such dilemmas will never be totally resolved, we can ease them considerably by working closer with facilities and patients so that we can get valid outcomes data more quickly.

PN: What are you proudest of?

Ward: I am proudest of my company's method of evaluating new technologies. We evaluate clinical research data published in peer-reviewed journals and also obtain network provider opinion where possible. This illustrates evidence-based medicine at its best. We also attempt to keep medical policy "real time" when faced with rapidly advancing technologies. Two examples of this are transurethral radiofrequency needle ablation of the prostate (TUNA®) and endometrial ablation for treatment of dysfunctional uterine bleeding (ThermaChoice®). Originally TUNA and ThermaChoice were considered investigational due to lack of supportive data. Soon after these determinations were made, several patients and their physicians requested these procedures. Because of these inquiries, re-evaluations were promptly initiated. Research indicated that these technologies now had merit. Very recent data had been published that supported the medical necessity of both procedures. Therefore, both were changed from investigational status to medically necessary status. The patients were able to have the procedures that were appropriate and found to be the "best medicine" for them supported by the most current research data.

PN: How can a nurse prepare for work in this area?

Ward: A nurse interested in this profession should have a broad scope of nursing, an interest in research, a basic understanding of business, basic writing skills, and a knowledge of computer applications. The nurse also needs confidence because these decisions impact patients' lives. She or he also needs to be able to defend the proposed position to physicians and other insurance professionals. It is important to be knowledgeable and able to articulate the rationale for why a procedure does or does not work to both clinical and nonclinical people.

PN: Do you have a prediction for the future?

Ward: Medical policy will become increasingly important as new technologies become available. Insurance companies will begin to work more closely with health care providers and even the public in assessing new medical technologies. This area will continue to be an exciting and ever evolving one, just as medicine continues to evolve.