

## Public Policy Position: Directory Requirement

The National Association of Vision Care Plans (NAVCP) is the unified voice for the managed vision care industry. The association provides a forum for cooperative industry collaboration on initiatives that work to preserve and strengthen consumer access to affordable vision insurance and benefits. NAVCP member companies cover approximately 170 Million (53 percent) Americans by partnering with eye care professionals in all 50 states and Puerto Rico.

### Key Takeaways

- “Directory Requirement” statutes regulate and mandate the provider information required for health plans to collect, maintain and periodically validate in their provider directories
- The purpose of such statutes is to equip covered consumers with information they need to appropriately select a network provider for their specific healthcare needs
- Although well-intentioned, these statutes often are an overreach and force both providers and health plans to spend undue amounts of administrative time submitting/collecting the information, which drives up healthcare costs

### Background

“Directory Requirement” statutes regulate and mandate the provider data set required for health plans to collect, maintain and periodically validate their provider directories. The statutes also indicate penalties and fines that health plans will face for failing to complete these activities and ensure the provider data is accurate at all times.

The purpose of such statutes is to equip covered consumers with the information they need to appropriately select a network provider for their specific healthcare needs. In practice, these statutes can force both providers/provider offices and health plans to spend undue amounts of administrative time meeting the requirements.

Although well intentioned, “Directory Requirement” statutes are in practice frequently an overreach and drive up healthcare costs for all healthcare stakeholders. Current statutes unfairly penalize health plans for data or lack thereof that they are not able to fully collect, control, or confirm.

- Network directory data is self-reported by providers, so the data is only as good as what they provide
- Existing statutes require the collection of data sets with information that covered consumers don’t need and won’t use to make a decision about network physician selection. Examples include NPI number and provider license number. This presents an

unnecessary administrative burden to providers, especially smaller independent practices.

- Much of the required data set does not change from quarter to quarter or even within a given year. Requiring health plans to contact providers to update/verify their information so frequently is an unnecessary administrative burden to health plans and a disincentive for providers to comply with the these requests.
- Health plans do not have the ability to force provider directory data accuracy or compliance with update requests. Their only options are 1) to withhold provider payment for services until the data is supplied or 2) de-list providers from the network directory. Option one causes an adversarial scenario between health plans and providers and wastes administrative time. Option two creates confusion and tension between payers and covered consumers, and, again, wastes administrative time.
- ALL providers wishing to join a health plan network MUST go through an extensive credentialing process and on-going attestation process, which involves them providing similar data. Health plans, therefore, already are ENSURING the highest quality networks possible.

**NAVCP Position: Current directory requirement statutes are an unnecessary healthcare administrative burden that increase costs for all stakeholders**

NAVCP and its members support the concept of maintaining accurate network provider directory information. In fact, NAVCP launched the Universal Credentialing Alliance in late 2015 to streamline the process of data collection for eye care professionals and vision care plans to help ensure covered plan members have access to the highest quality network of providers.

When directories have up-to-date network provider information, covered consumers are able to make appropriate choices. However, NAVCP believes that existing “Directory Requirement” statutes should be revised and any new legislation should work to achieve the following:

**Needed Legislative Change**

- Standardizing a minimum data set that includes the smallest amount of information necessary for covered consumers to make healthcare network provider selection.
- Creating a mechanism that incentivizes both network health plans and providers to maintain up-to-date data required by covered consumers to make informed healthcare decisions
- Requiring network providers and health plans to update directory data requirements only once per year, with opportunity for network provider data updates as they develop during that period