

# **Appendix B: Survey on Medical Coverage Decisions for Lasers**

**B**

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## QUESTIONNAIRE ON MEDICAL POLICY

### SECTION 1: MEDICAL POLICY

Three laser applications that are currently available in different fields of medicine are described on the following pages. Each application is followed by a series of identical questions. The data presented in these descriptions are as clinically accurate as possible. We would like you to read each description and answer the questions based on the information provided in each case. This section requires the most reflection; Sections II and III require less time.

All responses will be kept strictly confidential.

I have previously completed this survey. \_

(Please return in pre-addressed envelope.)

I am unable to complete the survey at this time.

(Please provide reason, if possible, and return in pre-addressed envelope. )

Would you like to receive a summary of results of this survey? —Yes —No

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### Application I (Cardiovascular)

Percutaneous transluminal coronary angioplasty is performed in selected patients (approximately 16/1 0,000 persons  $\geq 35$  years of age per year). Laser angioplasty is a more recent non-invasive technique for treating coronary obstructions. According to the medical literature, a significant obstacle to laser angioplasty is the inadequate diameter of recanalization achieved, such that there continues to be a need for subsequent balloon angioplasty in at least 70% of cases. Major complications, such as death, myocardial infarction and need for coronary artery bypass grafting, may be similar to the more conventional balloon angioplasty. However, complications such as dissection of the vessel can be substantially higher (up to 17%), and perforation of the vessel wall moderately higher (2.5%) when compared to conventional angioplasty. In addition, restenosis rates using laser assisted-angioplasty are similar to conventional balloon angioplasty. Therefore, laser angioplasty appears to increase complications, to be less effective than balloon angioplasty alone, and to add an increased expense to PTCA. Currently, this laser technique has no unique CPT code and would therefore be billed under the general code, 72982 Percutaneous transluminal coronary angioplasty; single vessel.

#### QUESTIONS

Q-1 If the health care provider bills for this laser technique using the general CPT procedure code that is routinely paid, would you know that this laser application is being used? (Check one below)

— <sup>(1)</sup> *Definitely not* — <sup>(2)</sup> *Probably not* — <sup>(3)</sup> *Probably yes* — <sup>(4)</sup> *Definitely Yes*

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Q-2 Which of the following would be most likely to alert you to use of this laser application on your insured population by a health care provider? (Please rank top three sources from the list provided below)

01 Higher than average charge submitted by provider	07 Internet technology coverage committee
02 Provider queries about coverage policy	08 medical or trade publications
03 Patient queries about coverage policy	09 General public media
04 Manufacturers queries about coverage policy	10 Manufacturers advertising
05 Internally aware because our type of HMO initially approves the purchase of the laser	11 Informal discussions with your medical or insurance colleagues
06 Utilization review by medical record audit	12 Other _____

First likely source (enter number) \_\_\_\_\_

9,9

Second likely source (enter number) \_\_\_\_\_

10,11

Third likely source (enter number) \_\_\_\_\_

12,13

Q-3 Once you are aware that this laser is being used, which of the following factors would prompt you to make a specific medical coverage policy decision for this laser technique versus simply covering the routine procedure? (Please rank top three factors from the list provided below)

1 High potential number of insured population affected	5 Concern over covering a technique with more potential complications
2 High potential cost	6 Concern that coverage may represent a liability risk
3 Concern that this is an experimental procedure	7 Other _____
4 Technique is not considered a community standard	

First important factor (enter number) \_\_\_\_\_

14

Second important factor (enter number) \_\_\_\_\_

15

Third important factor (enter number) \_\_\_\_\_

16

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Q-4 For this laser technology as described, how strongly would each of the following considerations influence your company's decision to recommend coverage or deny coverage?  
(Please rank separately the top five considerations in favor of, and against, recommending coverage)

01 Medically acceptable, reasonable and necessary	12 Decreased complication rate
02 Experimental or investigational technique	13 Increased efficacy of this technique
03 Potential for increased cost of the procedure due to laser technique	14 Decreased efficacy of this technique
04 Potential for decreased cost of the procedure due to laser technique	15 potential differences between clinical trials (efficacy) and community experience (effectiveness)
05 Potential for increased volume of this procedure due to new laser technique	16 FDA approval
06 Potential for decreased volume of this procedure due to new laser technique	17 Increased cost-effectiveness
07 Concern that coverage will prompt influx of new patients into insurance plan	18 Decreased cost-effectiveness
08 Benefits policy excludes procedure	19 Complications present a liability risk for the company
09 Denial of coverage may be legally challenged in the court system	20 Technique is outpatient rather than inpatient
10 Alternate technique available which is clinically proven effective	21 Technique is inpatient rather than outpatient
11 Increased complication rate	22 Laser technique is potentially last resort
	23 What other carriers currently cover
	24 Other
The treatment is generally accepted by the professional medical community as an effective and proven therapy and is appropriate for the treatment of sickness or injury.	

Most important consideration in favor of coverage	(enter number)	17,18
Second important consideration in favor of coverage	(enter number)	19,20
Third important consideration in favor of coverage	(enter number)	21,22
Fourth important consideration in favor of coverage	(enter number)	23,24
Fifth important consideration in favor of coverage	(enter number)	26,26
Most important consideration against coverage	(enter number)	27,28
Second important consideration against coverage	(enter number)	29,30
Third important consideration against coverage	(enter number)	31,32
Fourth important consideration against coverage	(enter number)	33,34
Fifth important consideration against coverage	(enter number)	35,36

From the list provided above, please record the two considerations that would be of least importance in favor of and against recommending coverage.

Least important considerations in favor of coverage	(enter number)	37,38
	(enter number)	39,40
Least important considerations against coverage	(enter number)	41,42
	(enter number)	43,44

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### Application II (Orthopedic and Neurosurgery)

Mechanical low back pain is a common and substantial health problem, which is treated through a variety of conservative and surgical interventions. Excision or destruction of the intervertebral disk is a therapy for selected patients with a herniated disk, (approximately 17 cases/ 10,000 persons  $\geq$  18 years of age per year) typically involving an open procedure on the spine, general anesthesia and a hospital stay. Percutaneous discectomy was introduced in 1975, with a success rate for the percutaneous approach itself reported at 60-70 %, compared to 80-90% for the conventional surgery. The use of a Ho:Yag or Nd:Yag laser was more recently introduced as a technique for the ablation of the diseased disk. The procedure uses a fiber optic lens and laser, which are introduced percutaneously to a patient given local anesthesia, and sent home the same day. Although the laser is FDA approved, there is scarce clinical data on humans as to the laser's clinical safety, effectiveness and broad applicability for percutaneous discectomy. Currently, this laser technique has no unique CPT code and would be billed under the general code, 62287 Aspiration Procedure Percutaneous, of nucleus pulposus of intervertebral disk, any method, single or multiple levels, lumbar.

Q-1 If the health care provider bills for this laser technique using the general CPT procedure code that is routinely paid, would you know that this laser application is being used? (Check one below)

— <sup>(1)</sup> Definitely not — <sup>(2)</sup> Probably not — <sup>(3)</sup> Probably yes — <sup>(4)</sup> Definitely Yes

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Q-2 For this laser technology as described, how strongly would each of the following considerations influence your company's decision to recommend coverage or deny coverage?  
(Please rank separately the top five considerations in favor of, and against, recommending coverage)

01 Medically acceptable, reasonable and necessary	12 Decreased complication rate
02 Experimental or investigational technique	13 Increased efficacy of this technique
03 Potential for increased cost of the procedure due to laser technique	14 Decreased efficacy of this technique
04 Potential for decreased cost of the procedure due to laser technique	15 Potential differences between clinical trials (efficacy) and community experience (effectiveness)
05 Potential for increased volume of this procedure due to new laser technique	16 FDA approval
06 Potential for decreased volume of this procedure due to new laser technique	17 Increased cost-effectiveness
07 Concern that coverage will prompt inflow of new patients into insurance plan	18 Decreased cost-effectiveness
08 Benefits policy excludes procedure	19 Complications present a liability risk for the company
09 Denial of coverage may be legally challenged in the court system	20 Technique is outpatient rather than inpatient
10 Alternate technique available which is clinically proven effective	21 Technique is inpatient rather than outpatient
11 Increased complication rate	22 Laser technique is potentially last resort
	23 What other carriers are covering
	24 Other

Most important consideration in favor of coverage

(enter number) — —

46,47

Second important consideration in favor of coverage

(enter number) \_\_\_\_\_

48,49

Third important consideration in favor of coverage

(enter number) \_\_\_\_\_

50,51

Fourth important consideration in favor of coverage

(enter number) \_\_\_\_\_

52,53

Fifth important consideration in favor of coverage

(enter number) \_\_\_\_\_

54,55

Most important consideration against coverage

(enter number) \_\_\_\_\_

56,57

Second important consideration against coverage

(enter number) \_\_\_\_\_

58,59

Third important consideration against coverage

(enter number) \_\_\_\_\_

60,61

Fourth important consideration against coverage

(enter number) \_\_\_\_\_

62,63

Fifth important consideration against coverage

(enter number) \_\_\_\_\_

64,65

From the list provided above, please record the two considerations that would be of least importance in favor of and against recommending coverage.

Least important considerations in favor of coverage

(enter number) \_\_\_\_\_

66,67

(enter number) \_\_\_\_\_

68,69

Least important considerations against coverage

(enter number) \_\_\_\_\_

70,71

(enter number) \_\_\_\_\_

72,73

## Application III (Oncology)

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Photodynamic therapy is an experimental cancer therapy which is being studied for its effectiveness in transitional cell carcinoma of the bladder. This therapy is currently undergoing evaluation for formal FDA approval for this cancer, but is not approved to date. For some stages of this tumor, no alternative, curative therapy exists. The therapy involves injecting a photosensitizing agent, usually a porphyrin-based compound into the patient, which is selectively taken up by the malignant tissue. The tumor is then exposed to a non-thermal appropriate wavelength of laser light from a tunable-dye laser. The molecule of the photosensitizing agent is excited, releasing a cytotoxic singlet oxygen species, which destroys the malignant tissue. Current literature suggests that photodynamic therapy is an important therapeutic intervention for refractor carcinoma-in-situ and prophylaxis of recurrent superficial transitional-cell carcinoma of the bladder. The reported complete response rates for carcinoma-in-situ to photodynamic therapy have consistently been 80-100%. There is also data to support prophylaxis through a single photodynamic session for recurrent cancers which have failed previous interventions, providing 12 to 20 months of disease-free intervals. No deaths have been reported due to photodynamic therapy. Complications include permanent bladder contracture which was reported in 10% of earlier patients. Patients also experience temporary urinary frequency, urgency and nocturia of variable severity. The photosensitizing agent is relatively non-toxic, except the patient must avoid sunlight and bright indoor lighting for a period of time. Therefore, although not yet FDA approved, photodynamic laser therapy for bladder cancer appears to have no significant complications, has unclear cost implications, but has increased efficacy over more conventional therapies.

Q-1 If the health care provider bills for this laser technique using the general CPT procedure code that is routinely paid, would you know that this laser application is being used? (Check one below)

— <sup>(1)</sup>Definitely not — <sup>(2)</sup>Probably not — <sup>(3)</sup>Probably yes — <sup>(4)</sup>Definitely yes

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Q-2 For this laser technology as described, how strongly would each of the following considerations influence your company's decision to recommend coverage or deny coverage? (Please rank separately the top five considerations in favor of, and against, recommending coverage)

01 Medically acceptable, reasonable and necessary	12 Decreased complication rate
02 Experimental or investigational technique	13 Increased efficacy of this technique
03 Potential for increased cost of the procedure due to laser technique	14 Decreased efficacy of this technique
04 Potential for decreased cost of the procedure due to laser technique	15 Potential differences between clinical trials (efficacy) and community experience (effectiveness)
05 Potential for increased volume of this procedure due to new laser technique	16 FDA approval
06 Potential for decreased volume of this procedure due to new laser technique	17 Increased cost-effectiveness
07 Concern that coverage will prompt influx of new patients into insurance plan	18 Decreased cost-effectiveness
08 Benefits policy excludes procedure	19 Complications present a liability risk for the company
09 Denial of coverage may be legally challenged in the court system	20 Technique is outpatient rather than inpatient
10 Alternate technique available which is clinically proven effective	21 Technique is inpatient rather than outpatient
11 increased complication rate	22 Laser technique is potentially last resort
	23 What other carriers are covering
	24 Other

Most important consideration in favor of coverage (enter number) \_\_\_\_\_

76.76

Second important consideration in favor of coverage (enter number) \_\_\_\_\_

77.78

Third important consideration in favor of coverage (enter number) \_\_\_\_\_

79.80

Fourth important consideration in favor of coverage (enter number) \_\_\_\_\_

81.82

Fifth important consideration in favor of coverage (enter number) \_\_\_\_\_

83.84

Most important consideration against coverage (enter number) \_\_\_\_\_

86.86

Second important consideration against coverage (enter number) \_\_\_\_\_

87.88

Third important consideration against coverage (enter number) \_\_\_\_\_

99.90

Fourth important consideration against coverage (enter number) \_\_\_\_\_

91.92

Fifth important consideration against coverage (enter number) \_\_\_\_\_

93.94

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**Q-2** Please record the two considerations that would be of least importance in favor of or against recommending coverage.

<i>Least important considerations in favor of coverage</i>	(enter number) _____	95,96
	(enter number) _____	97,98
<i>Least important considerations against coverage</i>	(enter number) _____	99,100
	(enter number) _____	101,102

**Q-3** Does your company currently cover the use of a *lasar* for the following conditions? (Check yes or no)

	(1) <u>Yes (Covered)</u>	(2) <u>No (Not covered)</u>	
Ablation of tatoos	_____	_____	103
Ablation of basal cell carcinoma of the skin	_____	_____	104
Diabetic retinopathy	_____	_____	105
Removal of colonic adenomas	_____	_____	106
Percutaneous coronary angioplasty	_____	_____	107
Percutaneous diskectomy	_____	_____	108
Photodynamic therapy for bladder carcinoma	_____	_____	109
Ablation of inoperable endobronchial carcinoma	_____	_____	110
Upper gastrointestinal hemorrhage	_____	_____	111
Ablation of carcinoma-in-situ of the cervix	_____	_____	112
Hemorrhoidectomy	_____	_____	113
Endometriosis	_____	_____	114
Stapedotomy	_____	_____	116
Removal of tonsils and adenoids	_____	_____	118
Ablation of urethral strictures	_____	_____	117

## **SECTION II: MEDICAL COVERAGE DECISION PROCESS**

**The following section contains a selection of questions covering the process for making medical coverage decisions within your company. There are also questions about the sources of information you utilize when making coverage decisions. Please read and answer these questions.**



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- Q-1** What is your company's review process for making medical policy coverage decisions for a technology such as a laser?
- ☐ <sup>(1)</sup>Reviewed by medical director alone 118
  - ☐ <sup>(2)</sup>Initially reviewed by medical director, but then always referred to another individual
  - ☐ <sup>(3)</sup>Initially reviewed by medical director, but then always referred to a Committee
  - ☐ <sup>(4)</sup>Initially reviewed by medical director, who then, at his/her discretion refers to another individual
  - ☐ <sup>(5)</sup>Initially reviewed by medical director, who then, at his/her discretion refers to a committee
  - ☐ <sup>(6)</sup>Other \_\_\_\_\_
- If referred to a committee, approximately how many members does it have? (enter ~~number~~) 110,120
- Who are the members?
- ☐ Chief executive officer or president 121
  - ☐ Benefits director or designee 122
  - ☐ Claims director or designee 123
  - ☐ Medical director 124
  - ☐ Medical director staff 125
  - ☐ Attorney 126
  - ☐ Medical Ethicist 127
  - ☐ Community physician 128
  - ☐ Utilization review representative(s) 129
  - ☐ Marketing representative(s) 130
  - ☐ Financial representative(s) 131
  - ☐ Other 132
- \_\_\_\_\_
- Q-2** Who is responsible in your company for making medical policy coverage decisions for a technology such as a laser?
- ☐ <sup>(1)</sup>Medical director alone 133
  - ☐ <sup>(2)</sup>A committee
  - ☐ <sup>(3)</sup>Other \_\_\_\_\_
- Q-3** Who should optimally be responsible for making medical policy decisions relative to new technologies being used and reviewed for coverage?
- ☐ <sup>(1)</sup>Medical director alone 134
  - ☐ <sup>(2)</sup>committee
  - ☐ <sup>(3)</sup>Other \_\_\_\_\_
- \_\_\_\_\_
- Q-4** Are the majority of medical coverage policy decisions made in a: (choose one)
- ☐ <sup>(1)</sup>Retrospective fashion 136  
(after claims submitted or paid for)
  - ☐ <sup>(2)</sup>Prospective fashion  
(before claims submitted or paid for)
- Q-5** What do you consider the optimal timing for making medical policy decisions relative to new technologies being used and reviewed for coverage?
- ☐ <sup>(1)</sup>Retrospective fashion 136  
(after claims submitted or paid for)
  - ☐ <sup>(2)</sup>Prospective fashion  
(before claims submitted or paid for)

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**Q-6** What sources of information do you use when reviewing a new technology such as a laser for the purpose of making a medical coverage policy decision? (Please rank top three from list provided below)

01 Government documents, i.e., OHTA	07 Other larger insurers
02 FDA clearance document	08 Opinions of local expert physicians
03 Medicare policies	09 Medical society statements or practice guidelines, i.e., AMA, ACS, ACP
04 Medical journals	10 NIH consensus conferences
05 Insurer association information, i.e., HIAA, TEC (BCBS)	11 Other _____
<del>06 Opinions of national expert physicians</del>	

Most used source (enter number) \_\_\_\_\_  
 Second used source (enter number) \_\_\_\_\_  
 Third used source (enter number) \_\_\_\_\_

137,138  
 139,140  
 141,142

**Q-7** What do you consider the optimal sources of information for making medical policy decisions for a new technology, such as a laser, being reviewed for coverage? (Please rank top three from list provided below)

01 Government documents, i.e., OHTA	07 Other larger insurers
02 FDA clearance document	08 Opinions of local expert physicians
03 Medicare policies	09 Medical society statements or practice guidelines, i.e., AMA, ACS, ACP
04 Medical journals	10 NIH consensus conferences
05 Insurer association information, i.e., HIM, TEC (BCBS)	11 Other _____
<del>06 Opinions of national expert physicians</del>	

Most optimal source (enter number) \_\_\_\_\_  
 Second optimal source (enter number) \_\_\_\_\_  
 Third optimal source (enter number) \_\_\_\_\_

143, 144  
 146, 146  
 147, 148

**Q-8** When reviewing the current evidence for a laser therapy, what hierarchy would you assign the following types of evidence? (Please rank the top three types from the list below)

1 Testimony or theory	6 Traditional review article
2 Randomized, controlled trial	7 Formal meta-analysis
3 Non-randomized, control lad trial	8 Retrospective, case-control study
4 Case series	9 Observational cohort study of patients receiving different therapies
<del>5 Case reports/anecdotes</del>	

First type (enter number) \_\_\_\_\_  
 Second type (enter number) \_\_\_\_\_  
 Third type (enter number) \_\_\_\_\_

149  
 160  
 161

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Q-9 For each type of evidence listed below, do you consider it: a) adequate in combination with other sources, and/or b) sufficient alone, to use when making a medical policy decision? (Please check either or both)

	Adequate, used in combination?		Sufficient alone?	
	(1) YES	(2) NO	(1) YES	(2) NO
Testimony or theory		162	—	161
Randomized, controlled trial		163	—	182
Non-randomized, controlled trial		164	—	163
Case series		165	—	164
Case reports/anecdotes		166	—	165
Traditional review article		167	—	166
Formal meta-analysis		168	—	167
Retrospective, case-control study	—	169	—	168
Observational cohort study of patients receiving different therapies	—	160	—	169

Q-10 If cost-effectiveness data is available comparing the new laser therapy to the current standard of therapy, what do you consider necessary characteristics of the sources for the clinical safety and effectiveness data?

	Necessary?		
	(1) YES	(2) NO	
Primary data in a clinical trial (vs secondary data analysis, e.g., decision analysis)	—	—	170
Multi-site study (vs single site study)	—	—	171
Published data (vs unpublished data)	—	—	172
Published in a US journal (vs published in a non-US journal)	—	—	173
Study conducted in the US (vs study conducted outside of the US)	—	—	

Q-1 1 If cost-effectiveness data is available comparing the new laser therapy to the current standard of therapy, what do you consider necessary characteristics of the sources for the cost data?

	Necessary?		
	(1) YES	(2) NO	
Primary data in a clinical trial (vs secondary data analysis, e.g., decision analysis)	—	—	175
Multi-site study (vs single site study)	—	—	176
Published data (vs unpublished data)	—	—	177
Published in a US journal (vs published in a non-US journal)	—	—	178
Study conducted in the US (vs study conducted outside of the US)	—	—	179

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Q-1 2 Assuming that a new therapy is equally safe compared to a standard therapy, is your company likely to cover a new therapy which shows:

	(1) Yes	(2) No	
Equal effectiveness for equal cost?	_____		180
Equal effectiveness for greater cost?			181
Equal effectiveness for lesser cost?	_____	_____	182
Less effectiveness for equal cost?	_____	_____	183
Less effectiveness for greater cost?		_____	184
Less effectiveness for lesser cost?		_____	185
Greater effectiveness for equal cost?	_____	_____	186
Greater effectiveness for greater cost?	_____	_____	187
Greater effectiveness for lesser cost?		_____	188

Q-1 3 Which of the following considerations are the greatest barriers to establishing medical coverage policy in an optimal way? (Please rank the top three from list provided below)

1 Lack of timely effectiveness data	5 External regulatory barriers
2 Lack of timely cost-effectiveness data	6 Legal barriers
3 Lack of timely safety data	7 Provider contention/lack of support for coverage policy
4 Internal administrative barriers	8 Other _____

First barrier (enter number) — 188  
 Second barrier (enter number) — 190  
 Third barrier (enter number) — 191

Q-1 4 To what degree should the following parties have responsibility for assuring that technology used in medical practice yields reasonable benefits at reasonable costs?

	No Responsibility	Little Responsibility	Some Responsibility	Moderate Responsibility	Great deal of Responsibility
Federal Government	1	2	3	4	5 102
State Government	1	2	3	4	5 193
Health Care Institutions	1	2	3	4	5 194
Insurers	1	2	3	4	5 195
Practicing Physicians	1	2	3	4	5 196
Patients	1	2	3	4	5 197
Court System	1	2	3	4	5 198
Manufacturer	1	2	3	4	5 199

## **COMMERCIAL INSURERS**

### **SECTION III: INSURER AND RESPONDENT CHARACTERISTICS**

The following section contains a selection of questions covering characteristics of your company and yourself. Please read and answer these questions only in reference to your health insurance business. For these questions, “your company” refers to your central corporate office, if, for instance, you are located at a subsidiary office.

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Q-1 What is the approximate number of current covered lives and/or claims processed last year by your company?

### Covered Lives

— <sup>(1)</sup> 0 - 250,000 200  
 — <sup>(2)</sup> >250,000 - 500,000  
 — <sup>(3)</sup> >500,000 - 1 million  
 — <sup>(4)</sup> >1 million - 2 million  
 — <sup>(5)</sup> >2 million - 5 million  
 — <sup>(6)</sup> >5 million

### Claims

— <sup>(1)</sup> < 1 million 201  
 — <sup>(2)</sup> > 1 million - 5 million  
 — <sup>(3)</sup> > 5 million - 10 million  
 — <sup>(4)</sup> > 10 million - 20 million  
 — <sup>(5)</sup> > 20 million - 40 million  
 — <sup>(6)</sup> > 40 million  
 — <sup>(7)</sup> Data not available

Q-2 Approximately what percent of your covered lives are: (Estimate percentages, 0-100)

### Percent

Children ( < 18 years) — — — 202-204  
 Young Adults (18-40 years) — — — 205-207  
 Middle-aged Adults(41-64 years) — — — 208-210  
 Older Adults (>65 years) — — — 211-213  
 100  
 Data not available — 214

Q-3 What percent of the covered lives are in each type of health insurance listed below? (Estimate percentages,

### Type of Insurance

### Percent

Individual Indemnity, other than HMO 215-217  
 Group Indemnity, other than HMO — — — 218-220  
 HMO — — — 221-223  
 100

If you offer HMO coverage, what percent of the covered lives are the following? (Estimate percentages, 0-100)

### Type of HMO

### Percent

Staff model† — — — 224-226  
 Group model†† — — — 227-229  
 IPA model††† — — — 230-232  
 Network model†††† — — — 233-236  
 100

Q-4 Does your company offer the following insurance products?

<sup>(1)</sup> Yes <sup>(2)</sup> No

Preferred provider organization(PPO)\* — — 236  
 Point-of-service plan(POS)\*\* — — 237

† An organized prepaid health care system that delivers health services through a salaried physician group that is employed by the HMO.

†† An organized prepaid health care system that contracts with one or more group practices, but primarily treats your HMO's enrollees.

††† An organized prepaid health care system that contracts with one or more group practices, but the group provides care to patients who are not your HMO's enrollees.

†††† An organized prepaid health care system that contracts directly with physicians in independent practice, with one or more associations of physicians in independent practice, and/or with one or more multi-specialty group practices to provide health services.

\* A product whereby a third-party payer contracts with a group of medical care providers who furnish services at lower than usual fees in return for prompt payment and a certain volume of patients.

\*\* A product that offers the consumer a choice of options at the time he or she seeks services, rather than at the time of enrollment.

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Q-5 For what percent of the covered lives does your company assume full or partial risk versus assuming no risk, as in the case of self-funded employers, for which your company provides administrative services only? (Estimate percentages. 0-100)

	Percent	
Full or partially insured	— — —	238-240
Administrative Services Only (ASO/CSO)	— — —	241-243

Q-6 On what basis do the majority of your insurance policies have risk assessed? (Include ASO with non-HMO)

Non-HMO	HMO	
<sup>(1)</sup> Full community rated — 244	<sup>(1)</sup> Community rated —	246
<sup>(2)</sup> Community rated by class —	<sup>(2)</sup> Community rated by class —	
<sup>(3)</sup> Full experience rated —	<sup>(3)</sup> Full experience rated —	

Q-7 For which plans and/or products offered do you decide on medical policy coverage decisions?

— Staff model	2413
— Group model	247
— IPA model	248
— Network Model	249
— PPO product	250
— Open-ended product	251
— Traditional indemnity product	252

Q-8 Are medical coverage decisions made similarly across the types of insurance for which you decide on medical policy?

<sup>(1)</sup> Yes	26:
— <sup>(2)</sup> No	

If no:

For which types of insurance do your responses in Section I and II apply?

— Staff model	254
— Group model	255
— IPA model	256
— Network Model	257
— PPO product	258
— Open-ended product	259
— Traditional indemnity product	260

Q-9 In which state(s) does your company have its largest enrollment? (Please rank the 3 states with the largest enrollment. )

<sup>(101)</sup> AK	<sup>(108)</sup> DC	<sup>(15)</sup> IL	<sup>(22)</sup> ME	<sup>(23)</sup> ND	<sup>(36)</sup> OH	<sup>(43)</sup> TN	<sup>(50)</sup> WV
— <sup>(102)</sup> AL	— <sup>(109)</sup> DE	— <sup>(16)</sup> IN	— <sup>(23)</sup> MI	— <sup>(30)</sup> NE	— <sup>(37)</sup> OK	— <sup>(44)</sup> TX	— <sup>(51)</sup> WY
— <sup>(103)</sup> AR	— <sup>(110)</sup> FL	— <sup>(17)</sup> KS	— <sup>(24)</sup> MN	— <sup>(31)</sup> NH	— <sup>(38)</sup> OR	— <sup>(45)</sup> UT	
— <sup>(104)</sup> AZ	— <sup>(111)</sup> GA	— <sup>(18)</sup> KY	— <sup>(25)</sup> MO	— <sup>(32)</sup> NJ	— <sup>(39)</sup> PA	— <sup>(46)</sup> VA	
— <sup>(105)</sup> CA	— <sup>(112)</sup> HI	— <sup>(19)</sup> LA	— <sup>(26)</sup> MS	— <sup>(33)</sup> NM	— <sup>(40)</sup> RI	— <sup>(47)</sup> VT	
— <sup>(106)</sup> CO	— <sup>(113)</sup> IA	— <sup>(20)</sup> MA	— <sup>(27)</sup> MT	— <sup>(34)</sup> NV	— <sup>(41)</sup> SC	— <sup>(48)</sup> WA	
— <sup>(107)</sup> CT	— <sup>(114)</sup> ID	— <sup>(21)</sup> MD	— <sup>(28)</sup> NC	— <sup>(35)</sup> NY	— <sup>(42)</sup> SD	— <sup>(49)</sup> WI	

## 34 I Coverage of Laser Technology By Health Insurers

	15
<b>Q-10 How long has your company been in operation?</b>	
<div style="margin-left: 100px;"><sup>(1)</sup>&lt; 1 year</div>	267
<div style="margin-left: 100px;"><sup>(2)</sup>1 -2 years</div>	
<div style="margin-left: 100px;"><sup>(3)</sup>3 -5 years</div>	
<div style="margin-left: 100px;"><sup>(4)</sup>6 - 9 years</div>	
<div style="margin-left: 100px;"><sup>(5)</sup>10 - 20 years</div>	
<div style="margin-left: 100px;"><sup>(6)</sup>20 - 50 years</div>	
<div style="margin-left: 100px;"><sup>(7)</sup>50 - 100 years</div>	
<div style="margin-left: 100px;"><sup>(8)</sup>&gt; 100 years</div>	
<b>Q-1 1 is your company:</b>	
<div style="margin-left: 100px;"><sup>(1)</sup>for profit</div>	268
<div style="margin-left: 100px;"><sup>(2)</sup>not for profit</div>	
<b>Q-1 2 What are your professional/post-graduate degrees?</b>	
<div style="margin-left: 100px;">— <sup>(1)</sup>M. D., D.O.</div>	260-274
<div style="margin-left: 100px;">— <sup>(2)</sup>Ph.D. or doctorate in biological science</div>	
<div style="margin-left: 100px;">— <sup>(3)</sup>Ph.D. or doctorate in social science</div>	
<div style="margin-left: 100px;">— <sup>(4)</sup>R.N.</div>	
<div style="margin-left: 100px;">— <sup>(5)</sup>M.P.H.</div>	
<div style="margin-left: 100px;">— <sup>(6)</sup>M.H.S.</div>	
<div style="margin-left: 100px;">— <sup>(7)</sup>M.B.A.</div>	
<div style="margin-left: 100px;">— <sup>(8)</sup>M. Sc.</div>	
<div style="margin-left: 100px;">— <sup>(9)</sup>J. D.</div>	
<div style="margin-left: 100px;">— <sup>(10)</sup>M.P.A.</div>	
<div style="margin-left: 100px;">— <sup>(11)</sup>R.N.P.</div>	
<div style="margin-left: 100px;">— <sup>(12)</sup>other _____</div>	
<b>Q-13 If you are an M.D. or D. O., what is your medical specialty and, if applicable, sub-specialty?</b>	
<div style="margin-left: 100px;">_____</div>	276
<b>Q-14 How long have you served in your current or a similar position for an insurance company?</b>	
<div style="margin-left: 100px;">— <sup>(1)</sup>&lt; 1 year</div>	278
<div style="margin-left: 100px;">— <sup>(2)</sup>1 -5 years</div>	
<div style="margin-left: 100px;">— <sup>(3)</sup>6 -10 years</div>	
<div style="margin-left: 100px;">— <sup>(4)</sup>11 -15 years</div>	
<div style="margin-left: 100px;">— <sup>(5)</sup>15 - 20 years</div>	
<div style="margin-left: 100px;">— <sup>(6)</sup>&gt; 20 years</div>	
<b>Q-1 5 What is your job title?</b>	
<div style="margin-left: 100px;">_____</div>	277
<b>THANK YOU FOR COMPLETING THIS QUESTIONNAIRE.</b>	
<b>PLEASE ADD ANY ADDITIONAL COMMENTS ON THE BACK.</b>	
<b>PLEASE RETURN THE QUESTIONNAIRE IN THE ACCOMPANYING PRE-ADDRESSED POSTAGE PAID ENVELOPE TO:</b>	
Neil R. Powe, M. D., M. P. H., M.B.A.	
Claudia A. Steiner, M. D., M.P.H.	
1830 E. Monument St., 8th floor	
Baltimore, MD 21205	



**HEALTH MAINTENANCE ORGANIZATIONS**

**SECTION III: INSURER AND RESPONDENT CHARACTERISTICS**

**The following section contains a selection of questions covering characteristics of your company and yourself. Please read and answer these questions only in reference to your health insurance business.**

## 36 Coverage of Laser Technology By Health Insurers

13

Q-1 What is the approximate number of current enrollees and/or claims processed by your company?

### Enrollees

☐ <sup>(1)</sup> 0-19,999 200  
☐ <sup>(2)</sup> 20,000-49,999  
☐ <sup>(3)</sup> 50,000-99,999  
☐ <sup>(4)</sup> 100,000-249,999  
☐ <sup>(5)</sup> 250,000-499,999  
☐ <sup>(6)</sup> > 500,000

### Claims

☐ <sup>(1)</sup> 0-19,999 201  
☐ <sup>(2)</sup> 20,000-49,999  
☐ <sup>(3)</sup> 50,000-99,999  
☐ <sup>(4)</sup> 100,000-249,999  
☐ <sup>(5)</sup> 250,000-999,999  
☐ <sup>(6)</sup> > 1,000,000  
☐ <sup>(7)</sup> Data not available

Q-2 Approximately what percent of your enrollees are: (Estimate percentages, 0-100)

### Percent

Children ( <18 years) — — — 202-204  
 Young Adults (18-40 years) — — — 205-207  
 Middle-aged Adults(41-64 years) — — — 208-210  
 Older Adults ( > 65 years) — — — 211-213  
 100  
<sup>(1)</sup>Data Not Available — — — 214

Q-3 Which HMO plan(s) does your company represent? (Estimate percentages in terms of enrollees, 0-100)

### Type of HMO

### Percent

Staff model\* — — — 215-217  
 Group model\*\* — — — 218-220  
 IPA model\*\*\* — — — 221-223  
 Network model\*\*\*\* — — — 224-228

Q-4 Do you offer any of the following non-traditional products? (Estimate percentages in terms of enrollees 0-100)

### Percent

Open Ended Product# — — — 227-229  
 Preferred Provider Product## — — — 230-232  
 Traditional Indemnity Product### — — — 233-236

\*An organized prepaid health care system that delivers health services through a salaried physician group that is employed by the HMO.

\*\* An organized prepaid health care system that contracts with one independent group practice to provide health services.

\*\*\* An organized prepaid health care system that contracts with two or more independent group practices to provide health services.

\*\*\*\* An organized prepaid health care system that contracts directly with physicians in independent practice, with one or more associations of physicians in independent practice, and/or with one or more multi-specialty group practices to provide health services.

# A product where individuals are enrolled in the HMO, but may self-refer to providers outside the network, typically with deductibles or extensive cost sharing required.

## A product whereby a third-party payer contracts with a group of medical care providers to furnish services at lower than usual fees in return for prompt payment and a certain volume of patients.

### A product where benefits are paid in a predetermined amount in the event of a covered loss.

# Appendix B Survey on Medical Coverage Decisions for Lasers 137

14

Q-5 Which payment method is used for the *primary care and specialty care physicians* in your HMO?  
(Estimate percentages. 0-100)

## Primary Care Physicians

	Percent
Salary	— — . 230-230
Capitated payment	— — — 230-241
Payment-for-service	— — — 242-244

## Specialty Care Physicians

	Percent
Salary	— — . 246-241
Capitated payment	— — — 248-250
Payment-for-service	261-263

Q-6 For which plans and/or products offered do you decide on medical policy coverage decisions?

— Staff model	254
— Group model	255
— IPA model	256
— Network Model	257
— PPO product	258
— Open-ended product	259
— Traditional indemnity product	260

Q-7 Are medical coverage decisions made similarly across the types of insurance for which you decide on medical policy?

(1) Yes	261
— (2) No	

If no:

For which types of insurance do your responses in Section I and II apply?

— Staff model	262
— Group model	263
— IPA model	264
— Network Model	265
— PPO product	266
— Open-ended product	267
— Traditional indemnity product	268

Q-8 In which state(s) does your company have its largest enrollment? (please rank the 3 states with the largest enrollment.) 269-274

(01) AK	(08) DC	(15) IL	(22) ME	(29) ND	(36) OH	(43) TN	(50) WV
— (02) AL	— (09) DE	— (16) IN	— (23) MI	— (30) NE	— (37) OK	— (44) TX	— (51) WY
— (03) AR	— (10) FL	— (17) KS	— (24) MN	— (31) NH	— (38) OR	— (45) UT	
— (04) AZ	— (11) GA	— (18) KY	— (25) MO	— (32) NJ	— (39) PA	— (46) VA	
— (05) CA	— (12) HI	— (19) LA	— (26) MS	— (33) NM	— (40) RI	— (47) VT	
— (06) CO	— (13) IA	— (20) MA	— (27) MT	— (34) NV	— (41) SC	— (48) WA	
— (07) CT	— (14) ID	— (21) MD	— (28) NC	— (35) NY	— (42) SD	— (49) WI	

Q-9 How long has your company been in operation?

— (1) 1 year
— (2) 2 - 3 years
— (3) 4 - 7 years
— (4) 8 -15 years
— (5) 16 -20 years
— (6) 21 -50 years
— (7) > 50 years

276

## 38 I Coverage of Laser Technology By Health Insurers

15

Q-1 0 Is your company:

<sup>(1)</sup>for profit

276

<sup>(2)</sup>not for profit

Q-1 1 What are your professional/post-graduate degrees?

277-282

- <sup>(1)</sup>M.D., D.O.
- <sup>(2)</sup>Ph.D. or doctorate in biological science
- <sup>(3)</sup>Ph.D. or doctorate in social science
- <sup>(4)</sup>R.N.
- <sup>(5)</sup>M.P.H.
- <sup>(6)</sup>M.H.S.
- <sup>(7)</sup>M.B.A.
- <sup>(8)</sup>M. Sc.
- <sup>(9)</sup>J.D.
- <sup>(10)</sup>M.P.A.
- <sup>(11)</sup>R.N.P.
- <sup>(12)</sup>other \_\_\_\_\_

Q-1 2 If you are an M.D. or D. O., what is your medical specialty and, if applicable, sub-specialty?

263

\_\_\_\_\_

284

\_\_\_\_\_

Q-1 3 How long have you served in your current or a similar position for a carrier?

286

- <sup>(1)</sup>< 1 year
- <sup>(2)</sup>1 - 5 years
- <sup>(3)</sup>6 - 10 years
- <sup>(4)</sup>11 - 15 years
- <sup>(5)</sup>15 - 20 years
- <sup>(6)</sup>> 20 years

Q-1 4 What is your job title?

286

\_\_\_\_\_

THANK YOU FOR COMPLETING THIS QUESTIONNAIRE.

PLEASE ADD ANY ADDITIONAL COMMENTS ON THE BACK.

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