Ensuring Solutions to Alcohol Problems
THE GEORGE WASHINGTON UNIVERSITY MEDICAL CENTER

Spotlight

Challenging a Hidden Obstacle to Alcohol Treatment

Little-known Insurance Laws Thwart Screening in Emergency Rooms

The food was delicious and the champagne mellow when a 50-year-old woman and her husband celebrated their anniversary at an acclaimed Seattle restaurant. But it was raining as they left and the woman – wearing a pair of high-heeled shoes – slipped on a wet curb and badly broke her ankle.

If the mishap and its painful consequences weren't enough, the woman soon learned – to her shock and horror – that her insurance company would not pay the approximately $22,000 in medical bills for her treatment, which included two surgeries to repair her ankle.

This celebrant, whose name is being withheld due to privacy concerns, was the victim of little known state laws that not only allow insurance companies to cite alcohol use as a reason to avoid paying for care, but also help contribute to a cycle of inadequate treatment for people with alcohol problems.

Many emergency room physicians, aware that hospitals collectively could face billions in financial losses if insurance claims are denied, do not routinely screen their injured patients for alcohol. They worry that a Uniform Accident and Sickness Provision Law (UPPL) in their states will allow insurance companies to deny health coverage for emergency treatment to people who have been drinking.

The physicians' logic: if a patient's drinking does not appear in the medical records, insurers cannot use the law to deny coverage. By using this tactic to circumvent the measure, emergency room physicians believe they can protect both their patients and their hospitals from serious medical debt.

But as Eric Goplerud, director of Ensuring Solutions to Alcohol Problems (ESAP), points out this logic also discourages wider use of alcohol screening as a diagnostic procedure among emergency room patients, a group at high risk for serious alcohol problems. "Patients who could be helped by alcohol treatment will remain unidentified and won't receive the help they need," observes Goplerud. "Without treatment, they are more

likely to drink and hurt themselves again or eventually develop serious alcohol-related medical conditions." Ensuring Solutions, based at George Washington University Medical School, works with policymakers, employers and concerned citizens to increase access to treatment for individuals with alcohol problems.

UPPLs Have Not Reduced Insurance Costs

The little known UPPLs, Goplerud says, are just one of many hidden barriers to effective treatment for people who drink in ways that are harmful to themselves or others. Paradoxically, the laws have not reduced insurance costs, their original intent. By limiting the number of patients who are screened and treated for alcohol problems, they indirectly contribute the $19 billion the nation pays in alcohol-related health care costs (by contrast, the nation spends only $5 billion to treat alcohol problems).

The Seattle woman's experience illustrates the dramatic and costly effect that UPPLs can have even on Americans when they have been drinking in moderation. Under the UPPLs, some insurers have denied coverage for injuries in cases where the patient wasn't legally drunk and drinking was not the cause of the injury. Moreover, few Americans even know that these laws exist – or how easily they can affect their own lives.

"If you're drinking beer while watching the Super Bowl at home in your own living room, and then trip – and require emergency medical treatment – you run the risk of not having the treatment for your injuries covered," warns Larry Gentilello, MD, a leading UPPL opponent.

UPPLs are based on a model state law drafted in 1947 by the National Association of Insurance Commissioners (NAIC), the organization of state insurance regulators, and adopted by 42 states. Some states have since repealed it; yet today it remains on the books in 38 states and the District of Columbia. The District, Virginia, California and Washington are now considering removing the law.[1] Only two states, North Carolina and South Dakota, have statutes that expressly forbid insurance companies from excluding coverage for injuries incurred while intoxicated.

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> **Eric Goplerud, PhD**
> Ensuring Solutions to Alcohol Problems

"Many trauma centers are currently forced to treat the patient's injuries, while ignoring the underlying alcohol problem,'' says Gentilello, a trauma surgeon. "Doctors want to do what is right for their patients, but trauma centers that admit hundreds of intoxicated patients every year cannot afford to write off these costs,'' says Gentilello, who conducted a study of the problem while at Seattle Harborview Medical Center. "Surveys have shown that the vast majority of trauma surgeons believe that it is important to talk to their patients about alcohol use, and believe that a trauma center is an appropriate place to begin to address alcohol problems. However, UPPLs have prevented them from putting these potentially life-saving protocols into practice.''

Brief Alcohol Counseling Can Reduce Emergency Room Visits

Gentilello, now chairman of the University of Texas Southwestern Medical School's surgery department division of burns, trauma and critical care, led a 3-year federally funded study published in 1999 in the *Annals of Surgery*

that examined the impact of alcohol screening followed by brief counseling on trauma patients. The study followed 760 trauma patients between 1995 and 1998, comparing two groups. Members of one group received 30 minutes of alcohol counseling, while those in the second group did not.

The treatment group experienced a 48 percent reduction in hospital re-admissions and a 50 percent decrease in emergency room visits, compared to the controls. Also, control group patients did not reduce their drinking levels. Patients in the intervention group, on the other hand, reported drinking an average of 28 fewer drinks per person each week.[2]

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> **Larry Gentilello, MD**
> University of Texas Southwestern Medical School

According to the Centers for Disease Control and Prevention (CDC), 20-30 percent of emergency room patients have alcohol problems.[3] However, Gentilello stresses that only a small fraction of these are alcohol dependent and require extended treatment. A life-threatening injury resulting from an accident after drinking can motivate people with less severe alcohol problems to change their behavior. These patients could benefit greatly from a counseling session delivered in the emergency room setting taking a half-hour or less.

In recognition of advances in alcohol treatment research, the NAIC, which developed the model UPPL nearly 60 years ago, revised its model law in 2001 to permit coverage for treatment of alcohol-related injuries. But since so few states have replaced the old laws, UPPLs still continue to interfere with the recent recommendations of the federal government and medical associations. The Centers for Disease Control and Prevention, the National Highway Traffic Safety Administration and the American College of Emergency Physicians all support wider screening for alcohol problems in emergency rooms.

The Health Insurance Association of America (HIAA), however, has said that evidence proving the benefit of emergency room-based screening and brief intervention is inconclusive and "strongly opposed" amending the UPPL to permit reimbursement for alcohol-related medical problems. A 2000[4] memo declaring this opposition stated:

"Insurance contracts have always had (and likely always will have) exclusions and limitations that serve many functions, including limiting the cost of insurance. No third-party reimbursement system can pay for every service that health care providers can provide. Regardless of uncertainty about third-party reimbursement, health care providers will always have to rely on their medical judgment in treating patients. The threat of '*maybe* no coverage means *absolutely* no treatment' is not only insufficient justification for restricting the use of a legitimate policy exclusion, it is a shocking abdication of responsibility.''

This reasoning may be lost on the Bishop family of Guilford, Conn., whose members have been fighting a losing legal battle against their insurance company for more than five years. Upholding the kind of alcohol exclusion permitted under the old UPPL, a federal appeals court ruled in 2003 that National Health Insurance Co. does not have to pay $242,235 in medical bills incurred by 19 year-old Oliver Bishop IV for the injuries he sustained when he crashed his car into a tree while driving under the influence of alcohol.

"It's an important decision because the ruling reinforces Connecticut public policy against drunken driving," William H. Clendenen Jr., attorney for the Texas-based insurance company in the case, said of the court action.

Individuals, Hospitals and Society Pay More Because of UPPLs

But while many citizens would agree that the state has a responsibility to vigorously prosecute impaired driving, the ruling in the Bishop case could have profound ramifications for individuals with a variety of alcohol-related illnesses and injuries, the health care providers who treat them, the quality of health care for persons with alcoholism and public budgets.

The hospital where Bishop was treated, for example, may have no choice but to challenge the family for payment, since none of his extensive injuries was covered by insurance. Ultimately, liability may rest with the son, regardless of whether he has an income. Moreover, if the son's injuries result in permanent disability, the costs also could be considerable for the state and federal government if he requires Medicaid and other support, such as Social Security disability payments.

Gentillelo, as head of a trauma department, is well positioned to see how the old UPPL law contributes to the $19 billion the nation pays in alcohol-related health care costs. By reducing the number of patients who receive alcohol screening and treatment, it indirectly increases insurance costs if patients continue to drink, become re-injured or develop costly alcohol-related medical problems such as cirrhosis of the liver, heart disease and some forms of cancer.

"The insurance companies are already paying because the doctors are not screening,'' he says. "The law has not reduced insurance costs at all.''

"We've learned so much more in recent years about how to effectively treat alcohol dependence and other alcohol problems," ESAP's Goplerud adds. "Increasingly, decision makers in the public and private sectors are working to make these treatments more accessible. UPPLs remain one of the many barriers to achieving improved access to treatment."

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1 A study published in the *Journal of Trauma, Injury, Infection and Critical Care* undertook a survey of all 50 states and the District of Columbia to determine the prevalence of state statutes that explicitly permit insurance companies to place exclusions in coverage for injuries that the beneficiary incurs as a result of ingesting drugs or alcohol. See Frederick P. Rivara, et. al, Screening Trauma Patients for Alcohol Problems: Are Insurance Companies Barriers?, 48 *J. Trauma, Injury, Infection and Critical Care* 115 (2000). The study concluded that 38 states and the District of Columbia had provisions in their insurance codes permitting a drug and alcohol exclusion, and that the exclusion was based on the Uniform Accident and Sickness Policy Provision Law, a model statute promulgated by the National Association of Insurance Commissioners. Furthermore, the study found that four states, Minnesota, New York, Oklahoma and South Dakota, had statutes that permitted an exclusion for injuries incurred as a result of ingesting narcotics or committing a felony, and that eight states, Utah, Colorado, Connecticut, Massachusetts, Michigan, New Hampshire, New Mexico and Wisconsin, had no exclusionary provision in their insurance code.

2 Gentilello L.M., Rivara F.P., Donovan D.M., Jurkovich, G.J., Daranciang, E., Dunn, C.W., Villaveces, A., Copass, M., and Ries, R.R. 1999. Alcohol Interventions in a Trauma Center as a Means of Reducing the Risk of Injury Recurrence. *Annals of Surgery* 230(4):473-483, 1999.

3 Centers for Disease Control and Prevention. 2002. Injury Fact Book. Available on the World Wide Web at http://www.cdc.gov/ncipc/fact_book/09_Alcohol_%20Injuries_%20ED.htm.

4 Theisen, R.M. December 4, 2000, memo to Regulatory Framework (B) Task Force: UPPL *Permissible Exclusion for Losses Related to Alcohol or Drug Abuse*. Health Insurance Association of America.

Marlene Cimons March 2004

2021 K St. NW
Suite 800
Washington, DC 20006
Phone: 202.296.6922
Fax: 202.296.0025
info@ensuringsolutions.org
www.ensuringsolutions.org

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Ensuring Solutions to Alcohol Problems (Ensuring Solutions) at The George Washington University Medical Center in Washington, DC, seeks to increase access to treatment for individuals with alcohol problems. Working with policymakers, employers and concerned citizens, Ensuring Solutions provides research-based information and tools to help curb the avoidable health care and other costs associated with alcohol use and improve access to treatment for Americans who need it. The project is supported by a grant from The Pew Charitable Trusts. For more information, please visit the Ensuring Solutions Website at www.ensuringsolutions.org.