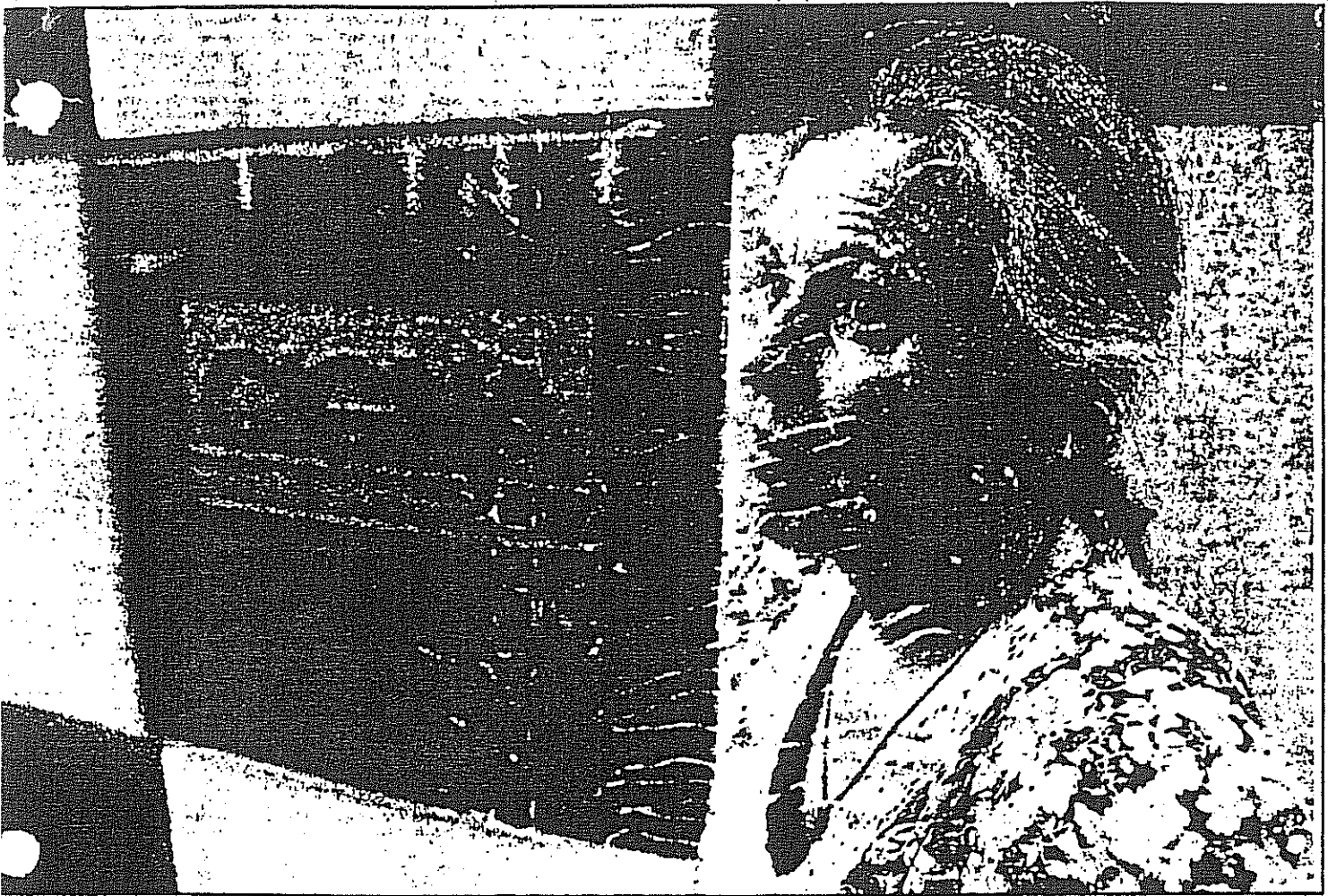


State regulators criticize Cigna plan



Hana Gutknecht/Daily News

Jo Godfrey is unhappy with the care she received at Cigna, where health-care professionals failed to notice a tumor in her lung.

Woman upset by failure to notice tumor

By Edmund Sanders
Daily News Staff Writer

For two years, Jo Godfrey complained to Cigna Health Plans of California's North Hollywood facility about coughing, breathing difficulties and fatigue. The Antelope Valley woman saw more than a dozen doctors, nurses and physician assistants while her problems were diagnosed as bronchitis, pneumonia or stress. She was told to stay home and rest. But in August, the 43-year-old mother of four complained of a pain in her lung. An X-ray revealed a tumor. Godfrey decided to get a second opinion and she took her X-rays to a non-Cigna doctor. The Lancaster physician, Dr. Young Ko, confirmed the tumor and told Godfrey that it was clearly visible on her X-rays dating far back as March 1993. "This just isn't right," Godfrey said. "I paid my premiums to Cigna to get taken care of, and I wasn't," she said. "Instead I had to fight to get proper care." Officials at Glendale-based Cigna

acknowledged that doctors did not notice the tumor, but they said Godfrey still has received quality care. "The care she has received has been timely and provided by appropriate providers," said Stuart Bowne, medical director in Los Angeles for Cigna. "However, we are not suggesting that we couldn't have done better with her." Cigna has agreed to pay for Godfrey to receive treatment outside of its network of doctors and medical clinics, Bowne said. "It's hard for some people to accept our fallibility," Bowne said. "It was not that anything was being ignored," he said. "Hindsight is always a lot better. Our vision gets sharper when we look back with current knowledge." Cigna recently was cited by the Department of Corporations for deficiencies in quality of care, including evaluating and documenting medical records and lab tests. According to the department, problems included "deficiencies in continuity of care, medical record completeness and lack

tests." Due to the confidentiality of patient records, it is unknown whether Godfrey's case was among those reviewed by the Department of Corporations. Bowne said Cigna was committed to resolving problems. "We're not proud of either of these two things," Bowne said of the state report and Godfrey's case. Godfrey said her medical charts indicated that the lung nodule was noticed in November 1993, but she said she was not informed of the problem until August. Last month, Godfrey underwent surgery at a Cigna facility to remove the nodule. She is unsure of her prognosis, she said, because she has refused to go to Cigna facilities since the operation. On Friday, Godfrey learned that she would be permitted to receive treatment — at Cigna's expense — at the facility of her choice. She is planning to seek treatment at Cedars-Sinai Medical Center. "I don't want to go to Cigna any more."

Quality of care, appointment delays reviewed in audit

By Edmund Sanders
Daily News Staff Writer

In an unusually critical audit of a major health maintenance organization, state regulators are ordering Cigna Health Plans of California to correct "systemic deficiencies" affecting quality of care, handling of patient complaints and excessive delays for medical appointments.

The California Department of Corporations, in a report made public last week, said Glendale-based Cigna had violated at least four key areas of state regulations covering health maintenance organizations.

Among the deficiencies were:

- Lack of recognition of "grossly abnormal lab tests."
- Incomplete medical charts and lack of follow-up care on post-hospital discharges.
- Excessive waiting periods for medical appointments, up to two months at some facilities.
- Failure to properly review and monitor patient complaints.

Cigna officials acknowledged some problems in its quality assurance programs, but attributed some of the negative findings in the department's audit to a lack of communication with state regulators.

"Systems are in place to assure quality of care, but we did not do a good enough job explaining (to regulators) how they operate," said Leslie Margolin, chief counsel for Cigna.

Gary Mendoza, commissioner of the Department of Corporations, said the problems uncovered in the audit were serious and "out of the ordinary," and that staff members brought the matter to his attention two weeks ago for special consideration.

"We are looking into the matter and may be taking additional steps to make sure (Cigna) is in compliance," Mendoza said.

Anthony Iton, a physician and health policy analyst for Consumers Union, said he was most disturbed by the department's finding that Cigna had failed to provide preventive health-care services to some patients.

"That's what HMOs are supposed to be all about," Iton said.

Stuart Bowne, Cigna's medical director for Los Angeles, defended the HMO's quality of care, but said the company already is responding to several of the department's findings.

"The care we provide to our members is very high-quality," Bowne said. "But we've got some deficiencies and we are taking pretty quick action to correct them."

The report faulted Cigna officials for not following up on patient complaints and instead referring them back to the medical

Daily News

OCTOBER 2, 1994

SUNDAY

Serving the San Fernando and Neighboring Valleys

State regulators cite problems in audit of Cigna Health Plans

CIGNA / From Page 1

clinic for response. Beginning next month, complaints will be reviewed by senior company managers on a regular basis, Margolin said.

Margolin also said Cigna will begin new internal enforcement programs to make it easier for patients to schedule appointments more quickly. As it did in previous reports in 1988 and 1990, the department cited Cigna for failing to meet its own internal standards for providing patients with medical appointments in a timely manner.

"We have clear policies, but we need to do aggressive follow-up and self-audits," Margolin said. "We can do a better job and will do a better job."

The problems were identified at several of Cigna's 29 wholly owned medical clinics in Southern California.

Cigna, also known as Ross Loos Healthplan of California, is one of the largest HMOs in the state, covering nearly 600,000 enrollees.

The Corporations Department conducts medical audits of all HMOs on a rotating basis. Under state law, the department must audit every HMO at least once every five years.

The Cigna audit was conducted in June 1993. Regulators conduct-

ed on-site inspections, reviewed dozens of patient medical records and interviewed company managers and executives.

Iton said it is unusual for auditors to cite deficiencies because the law gives health plans a chance to correct problems before they are included in the final report released to the public.

Regulators give health plans a preliminary and confidential audit and allow companies 30 days to correct problems or develop plans that address the state's concerns. If regulators are satisfied, the deficiencies are withheld from the final report.

The final report does not specify how many medical records were examined nor does it disclose details of individual cases. It also does not include deficiencies cited by regulators but corrected by health plans within 30 days.

A detailed report, including confidential patient medical records and specific cases reviewed by regulators, was forwarded to Cigna in February. The department found Cigna's response to some of the problems to be inadequate and mentioned those problems in the audit released to the public.

NORWARD P. "BUCK" McKEON
27th DISTRICT, CALIFORNIA

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May 30, 1996

Hon. Keith Bishop
Commissioner
Department of Corporations
1107 Ninth St. Room #800
Sacramento, CA 95814

Dear Commissioner Bishop:

I am writing on behalf of my constituents, Josephine Joshua Godfrey and Christopher Godfrey, who have experienced severe difficulties with a California licensed HMO, CIGNA Health Care.

Mrs. Godfrey claims that CIGNA failed to properly diagnose and treat her lung cancer from March 1993 through August 1994. Apparently, a year later non-CIGNA doctors easily identified the carcinoid tumor in her left lung and told Mrs. Godfrey that the tumor should have been diagnosed in early 1993. Despite repeated denials of the tumor's existence from CIGNA, the tumor was ultimately removed at St. Joseph's Hospital in Burbank, California. A post-operative pathology report indicated that the tumor was "fully grown ... fully mature."

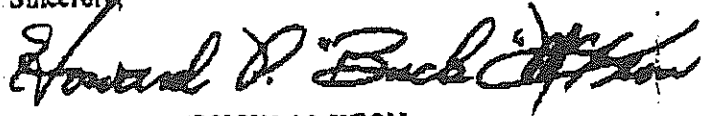
While being examined by CIGNA, Mrs. Godfrey repeatedly asked to be referred to a specialist. For some inexplicable reason CIGNA refused to consult a specialist for appropriate medical treatment. CIGNA also refused to release Mrs. Godfrey's medical records so another physician could review her medical history and order treatment. Only after dozens of requests were the records released. Yet, Mrs. Godfrey believes that in order to protect CIGNA from malpractice the documents were maliciously altered.

The State of California has the responsibility to protect consumers enrolled in HMOs. The state is required to educate and inform consumers about HMOs. With over 12 million Californians in HMOs, educating and informing consumers about quality and access to health care is an important undertaking. Unfortunately, if Mrs. Godfrey's experience is any indication of how consumer's medical needs are being treated by HMOs we must reexamine the managed care system. Congress has begun to probe HMOs and the quality of medical treatment they provide. Many patients believe that HMOs regularly deny care and information to patients in order to cut costs. The apparent "gag rule" which prohibits physicians from suggesting treatment that is not covered by the HMO is also of particular concern.

My constituent is not the only individual who has had difficulties dealing with HMOs: (1) Ruth MacInnes of San Diego died when HMO physicians failed to provide medical tests to diagnose and treat heart disease and respond to cardiogenic shock emergencies; (2) Will Spence of Los Angeles fights for his life because his non-Hodgkins lymphoma cancer was mis-diagnosed for more than a year. I am told that like these people there are thousands of others across the nation with similar stories.

I am respectfully that your office examine these claims and investigate whether the state's HMOs are being properly monitored and consumers given the information they need to ensure quality medical care. I believe that Mrs. Godfrey has been grossly mistreated by a system that should care for her. If violations are uncovered I request that enforcement action be taken against those institutions responsible for mistreating consumers. A comprehensive investigation will help ensure that the state fulfills its obligation to the over 12 million HMO consumers. Please respond to my District Director, Armando E. Azarloza, at your earliest opportunity.

Sincerely,



HOWARD P. "BUCK" McKEON
Member of Congress

HPM:aa

DEPARTMENT OF CORPORATIONS
OFFICE OF THE COMMISSIONER
3700 WILSHIRE BOULEVARD, SUITE 600
LOS ANGELES, CALIFORNIA 90010



IN REPLY REFER TO:

FILE NO: ALPHA

July 2, 1996

The Honorable Howard P. "Buck" McKeon
U.S. House of Representatives
Washington, D.C. 20515-0525

Re: Josephine & Christopher Godfrey

Dear Congressman McKeon:

I am in receipt of your May 30, 1996 letter, received on June 4, 1996, regarding the above-named individuals and their health care service plan, Cigna Healthcare of California.

The Department of Corporations ("Department") regulates Cigna Healthcare and other health care service plans under the Knox-Keene Health Care Service Plan Act (Health and Safety Code 1340 et seq.) and the Commissioner's regulations (CCR Section 1300.40 et seq.). The Department takes each and every request for assistance ("RFA") we receive very seriously. RFAs received by the Department are reviewed not only with respect to the individual issue(s), but with an eye toward potential systemic problems as well. RFA review is an important element of the Department's overall regulatory efforts.

The Department has reviewed or is reviewing all of the RFAs submitted by the Godfrey family. Josephine Godfrey's case was reviewed by the Department's Enforcement Division. This review included, but was not limited to, a thorough examination of relevant medical records, interviews with plan personnel, and extensive discussion with the Godfrey family. As a result of this review, the Enforcement Division determined that Cigna had satisfactorily addressed Mrs. Godfrey's specific complaints and had developed strategies for resolving these problems.

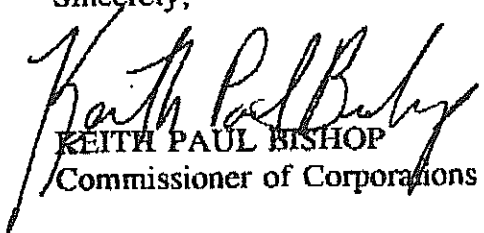
As to Christopher Godfrey's RFA, Cigna agreed to have Susan Riccardi, R.N. available to both Mr. and Mrs. Godfrey to assist them in the coordination of their current care and resolve any problems they may encounter. Both of these RFAs are now closed. However, the information in these and all RFAs is incorporated into the Department's ongoing regulation to ensure health plan compliance with the Knox-Keene Act.

The Honorable Howard P. "Buck" McKeon
July 2, 1996
Page 2

The Department shares your concern about so-called "gag" clauses in provider contracts. The Department recently required a plan to delete a clause in its provider contracts which obligated the provider to put the plan in a "good light." In a recent communication to all licensees, the Department stated: "Each contracting physician and other health care professional should be able to speak honestly and accurately about matters which may affect a patient's health and well-being to foster the traditional relationship of trust and confidence between patient and health care professional."

In closing, I wish to again emphasize the Department's commitment to the millions of Californians enrolled in health care service plans. Should you have additional questions, please do not hesitate to contact Special Assistant Joe Parra at (213) 736-2240.

Sincerely,



KEITH PAUL BISHOP
Commissioner of Corporations

California State Senate

SENATOR
JACK O'CONNELL
EIGHTEENTH SENATORIAL DISTRICT



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May 9, 1997

Ms. Susan Riccardi
CIGNA HealthCare of California
P.O. Box 29020
Glendale, CA 91209-9020

Dear Ms. Riccardi:

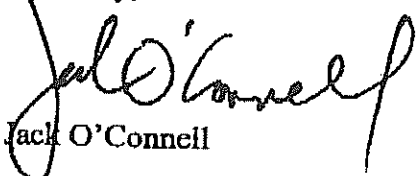
I am writing on behalf of two constituents of mine and clients of yours, Ms. Lillian Joshua and her sister, Ms. JoAnna Joshua, with regards to the problem they are having in getting access to a primary care provider closer to their place of residence in Santa Barbara County .

The Joshua's contacted my Santa Barbara District Office and stated that Cigna HealthCare had given them a primary care provider more than one hour north of their residences. I find it difficult to understand why a primary provider cannot be found closer to their homes. I would encourage you to accommodate their request and am forwarding a copy of this letter to the Department of Corporations for review.

I would appreciate it if you could follow-up this letter by contacting my Field Representative, John Mann, at (805) 966-2296, regarding this request.

Thank you in advance for your consideration.

Sincerely,


Jack O'Connell

JO:jm
H2c