

Background

Ghost networks (aka **phantom networks** or **phantom panels**) broadly refer to when providers that supposedly participate in an insurance network are **unavailable** or network directories contain **inaccurate information**¹.

The issue has been examined in **California**²⁻³, **Georgia**⁴, **Oregon**¹ and **Illinois**⁵ among other states⁶⁻⁸. It's been documented in North Carolina as **early as 2000**⁹, if not earlier.

Current literature **does not reflect the extent** of the issue in North Carolina.

How are provider networks verified?

Manual verification

Kelley and Sun (2021) **verified online directories** of New York MCOs to determine that significantly fewer dentists were available than presented online⁸.

State records

Burman and Haeder (2022) found that **between 59% and 76% of California provider listings** were accurate using over 700k data points reported to the state from 2018-2019³.

Claims data

Ludomirsky et al. (2022) found that across four states (Kansas, Louisiana, Michigan and Tennessee)⁷:

- 1/3 of Medicaid managed care physicians saw **<10 beneficiaries in a year**
- 1/4 provided **the majority of care**

Zhu, Charlesworth, Polsky and McConnell found that 58.2% of Oregon Medicaid listings were **phantom providers**¹.



References available at the QR code

North Carolina Insurance Policy

§ 58-3-245. Provider directories; cost tools for insured.

- All insurance plans must offer directories
- Directory must include provider's name, address, phone #, area of specialty, whether they can be selected as PCP, whether they're accepting new patients or have other restrictions that would limit care
- Listing must be updated at least once per year (*but federal regulations may require more frequent updates*)
- Online directories optional, but information must be available by phone
- Printed listings must include print date and disclaimer about accuracy

11 NCAC 20.0301 and 20.0302

Insurers must set standards for provider accessibility and availability but those standards aren't required to be public and may be considered a trade secret

11 NCAC 20.0304

Insurers must evaluate whether they're meeting standards annually and keep evaluation records until Dept of Insurance reviews them

§ 58-2-132 and 58-2-240

Evaluation records are confidential under state law

BCBS NC Therapist Listings



Identified 50 therapists within 10 miles of 28205 (Charlotte, NC) in online BCBS directory

Recorded:

- **Name**
- **NPI**
- **all affiliated locations with address + phone**
- **whether they were accepting new patients**



Performed manual verification by calling, emailing and reviewing practice websites

- **3 not accepting patients**
- **2 with waitlists**
- **17 listed at locations they no longer worked at**
- **2 no longer take BCBS**

Qualitative Findings

- Ghost networks pose biggest threat to **patients seeking new providers** (SF Haeder, oral communication, July 2022)
- **Older adults struggle** to navigate insurance claims and verify inaccurate information¹⁰
- Some **choose Marketplace plans based on their providers** only to learn the provider is out-of-network (M Van Arnam, e-mail communication, July 2022)
- People seeking mental health treatment may **give up if they can't reach providers** listed in directory¹⁰
- Patient filed complaint with state after **choosing provider from BCBS directory** that ended up being **out-of-network**¹⁰
- Patient identified urgent care facility from UnitedHealthcare directory only to **learn on arrival that urgent care had closed**¹¹
- BCBS actively working to update directory¹⁰

Takeaways

Ghost networks pose a health equity issue in North Carolina.

More research is necessary to determine **how accurate insurance directories are statewide.**

Laws surrounding Dept of Insurance reviews of health insurance companies **obscure whether insurers are meeting their own access to care standards.**

Greater action is needed from the state to **ensure accurate directories and minimize harm to patients.**