



BlueLINKSM

News from Blue Cross and Blue Shield of North Carolina

Winter 2001

Volume No. 6, Issue No. 5

Index

Migration to New Blue Products2

Member Confidentiality Policy4

Facility Standards Update7

DME Claims Filing Tips9

Injectable Drug Network11

Synagis Update14

For articles specific to your area of interest, look for the appropriate icon.

- Physicians
- Facilities/Hospitals
- Ancillary
- Pharmacy

www.bcbsnc.com



**BlueCross BlueShield
of North Carolina**

Blue Cross and Blue Shield of North Carolina Offers Real-time Claims Resolution Technology



Blue Cross and Blue Shield of North Carolina (BCBSNC) and RealMed Corporation (RealMed) recently announced a multi-year agreement to deploy real-time claims resolution technology at doctors' offices in North Carolina. This technology allows medical insurance claims in HCFA-1500 format to be resolved electronically at the time a customer receives care and before they leave the doctor's office. By allowing claims to be submitted and resolved nearly instantaneously, the system also allows for speedier reimbursement by BCBSNC to contracted physicians.

Over the last several years, BCBSNC has worked to advance the use of technology to perform business functions between the physician office and the claims payment source. Approximately 1,400 provider sites currently use the Blue *e*SM system to verify member eligibility and check the status of submitted claims. Blue *e* users have been able to significantly reduce the numbers of calls they make to BCBSNC through use of this technology. The RealMed product builds on our experience with Blue *e* and introduces a unique component of technology that can enhance the relationship between the physician and the insurer.

Contracted BCBSNC physician offices who use *RealMed Health*SM can immediately determine patient

eligibility, review up-to-the-minute copayment and deductible information, resolve patients' claims in seconds at the point-of-service (including front-end and back-end error checks), receive and print the patient's Explanation of Benefits (EOB), and collect any balance due from the patient—all within minutes following a patient visit with the physician.

BCBSNC and a select group of health care practices in North Carolina have been using RealMed's technology since November 2000. Based on the initial success of the testing, *RealMed Health* is currently being deployed to other BCBSNC network physician groups. RealMed and BCBSNC plan to implement joint provider sales and outreach efforts over the next several months in order to efficiently communicate to targeted physician groups regarding our total line of technology offerings.

The RealMed project was presented to the North Carolina Hospital and Health Insurance Institute (HHII) November 1st and 2nd in Greensboro. More than 600 office administrators from across the state attended HHII, and along with staff from BCBSNC Network Management, EDI Services, and BlueCard[®], discussed issues concerning claims payment faced by contracted providers.

(Please see Real-Time Claims on page 2)

Real-time Claims (continued)



Headquartered in Indianapolis, Indiana, RealMed Corporation is a business-to-business health care information technology and services company that provides software and services to health plans (payers), physicians (providers), and practice managers. RealMed clients operate in 15 states and the District of Columbia. Combined, these organizations process over 100 million private health care claims annually, and cover more than 20 million members. RealMed is now doing business with payers and physicians in a number of these states.

RealMed's patent-pending point-of-service solution processes, resolves, arranges and confirms payment of health care claims in seconds by providing a secure, two-way interactive link between the physician's desktop and the payer's mainframe computer system.

For more information regarding RealMed, please contact Ryan Elliott at 317-814-6722, or via email at ryan.elliott@realmed.com. You may also visit their Web site at www.realmed.com.

BCBSNC and RealMed staff are available to make presentations to interested physician groups, in order to raise awareness and understanding of the RealMed product in relation to the current technology that BCBSNC offers. To arrange a presentation for your practice, call Morgan Tackett at 919-765-3472, or via email at morgan.tackett@bcbsnc.com.

Stay tuned to *Blue Link* for more information on RealMed and special opportunities for viewing the technology.

TM RealMed Health is a trademark of the RealMed Corporation.

Full Migration to New Blue Products is Under Way



Although you've already been seeing Blue Cross and Blue Shield of North Carolina (BCBSNC) members covered by our new products, such as Blue Care and Blue Choice, we wanted to make you aware that full migration will be in full swing as of January 1, 2002.

"Full migration" is our term for moving our existing customers from their current health plans to the corresponding new Blue plans upon their respective renewal dates. You will continue to see BCBSNC patients with Personal Care Plan, MedPoint and other of our older products for awhile, but you will also note an increase in 2002 in the number of BCBSNC patients carrying ID cards with the new plans like Blue Care and Blue Choice listed as their type of coverage.

Importance of Alpha Prefixes

Regardless of the type of coverage a BCBSNC patient has, it's extremely important to note the 3-letter alpha prefix on their ID card. When filing claims, be sure to include this prefix, as well as the patient's member ID number and the two-digit suffix, which represents their dependent number.

Here's a list of the prefixes used by BCBSNC to help identify our members more accurately and quickly:

Product	Alpha Prefix
Preferred Care [®] CostWise ^{®1}	YPA
Preferred Care [®] Select and Preferred Care [®] Select Copay	YPB and YPN
Personal Care Plan ^{SM1}	YPL
MedPoint ^{SM1}	YPA
Blue Care [®]	YPH
Blue Choice [®]	YPS
Blue Options SM	YPP
Classic Blue [®]	YPM

BCBSNC Completes Acquisition of PARTNERS



October 1, 2001, marked an important event in the history and continuing corporate transformation of Blue Cross and Blue Shield of North Carolina (BCBSNC) as it completed its acquisition of PARTNERS National Health Plans of North Carolina, Inc. from Novant Health.

Jointly, BCBSNC and PARTNERS serve 2.5 million customers and have 3,300 employees. PARTNERS is a wholly owned subsidiary of BCBSNC. Customers of BCBSNC and PARTNERS will continue to be served by their current health plans with no changes in benefits. Some of our Network Management contract and credentialing services will be consolidated between the two companies in order to present one face to the provider community.

"This is an exciting combination of two companies with records of excellent customer service, quality health plans and market success. This acquisition solidifies our position as the premier health insurer in North Carolina," said Bob Greczyn, president and CEO of BCBSNC.

BCBSNC Earns Excellent Accreditation



We are pleased to inform you that the National Committee for Quality Assurance (NCQA) recently upgraded our accreditation status from Commendable to Excellent. BCBSNC now joins the elite ranks of health plans nationwide—including the newest member of our family, PARTNERS—whose level of service and clinical quality meet or exceed the NCQA's rigorous requirements for consumer protection and quality improvement.

For more information about the NCQA, visit their Web site at www.ncqa.org.



**BlueCross BlueShield
of North Carolina**

Wheelchair Components Added to Prior Plan Approval List



Please note that effective December 1, 2001, core components that are used to assemble a wheelchair have been added to our Prior Plan Approval list. Prior Plan Approval applies to BCBSNC'S HMO and POS members. These items will require prior approval for both original purchase as well as replacement needs. For more information on which wheelchair component codes now require Prior Plan Approval, please contact our Utilization Management department at **1-800-672-7897**.

Revenue Code 480 No Longer Covered as Diagnostic Service



BCBSNC has reviewed revenue code 480, which was being used for the billing of EKGs, and has determined that this code is no longer covered as a diagnostic service. Revenue code 480 will now be covered as a medical benefit and will be subject to the patient's deductible and coinsurance amounts. Please review the *UB-92 Uniform Billing and Guidelines* manual in order to determine applicable codes for the services rendered.

Our Member Confidentiality Policy



At Blue Cross and Blue Shield of North Carolina (BCBSNC), we take very seriously the privacy interests of our members, as we know you do. As contracting providers, we want you to understand how we protect our members' information.

We protect all personally identifiable information we have about our members, and disclose only the information that is legally appropriate. Our members have the right to expect that their legally protected privacy interests will be respected and protected by BCBSNC.

Our Member Confidentiality Policy is intended to comply with current state and federal law, and the accreditation standards of the National Committee for Quality Assurance. If these requirements and standards change, we will review and revise our Policy. We also may change our Policy (as allowed by law) as necessary to better serve our members.

To make sure that our Policy is effective, we have designated a Chief Privacy Official and a Privacy Committee that are charged with approving and reviewing BCBSNC's privacy and confidentiality policies and procedures. They are responsible for the oversight, implementation and monitoring of our Policy.

Our Fundamental Privacy Principles:

- We will protect the confidentiality of personal information about our members and will not disclose any personal information to any external party except as we describe in our Policy or as permitted or required by law or regulation.
- Each of our employees must sign a confidentiality statement when they begin work with us, stating that they will abide by our Policy. Only employees who have legitimate business needs to use members' personal information will have access to personal information.
- When we use outside parties to perform work for us, as part of our insurance business, we require these contractors to sign their own confidentiality agreements, stating that they will protect members' personal information and will only use it in connection with the work they are doing for us.
- We also require the same kind of confidentiality agreement with our contracted physicians.
- We communicate these policies to our members, both through newsletter articles and during the enrollment process they follow when becoming a BCBSNC member.

- We will disclose personal information only where:
 - required or permitted by law; or
 - the subscriber has consented to disclosures as part of the enrollment process; or
 - we obtain a separate authorization from the subscriber for specific purposes.

Most of the disclosures that we make are permitted or required by law, or the member has consented to the disclosure as part of the enrollment process. These disclosures include those for health care treatment and payment, our company's health care operations as authorized by law, various areas where the member's consent is not needed for certain public purposes (such as public health emergencies) and certain other health care purposes such as coordination of medical care, quality assessment and measurement and accreditation. In a limited number of situations beyond these areas, we will seek a member's separate authorization for a specific purpose.

- Members have the right to review certain records held in our possession. If a member wishes to review records containing information about them, they must submit a written request for copies of the information (we may charge a fee to obtain these copies).
- If the member has questions or concerns about the accuracy or completeness of information we have about them, the member should contact us in writing, to tell us about their concerns. We will make the appropriate changes, as may be required by law. If a physician or other medical provider, or someone other than us created the information, then we will direct the member to that person to make the corrections.
- We may send some information to employers that provide health care benefits to their employees. In most situations, this information will not identify a specific individual. Instead, it will be summary information, or information in another form where the personal identifiers have been removed.
- If we do need to disclose identifiable information to an employer, then we will require the employer to agree that this information cannot be used in connection with any decisions about the employee, for example, in connection with the employee's job. This information also will be provided only to a very limited number of people within the member's company, mainly the people that help with the administration of the employee benefits plan.

State Health Plan: Preadmission Certification vs. Prior Approval



Did you know that under the State Health Plan, the terms "preadmission certification" and "prior approval" have two very different meanings?

Under the State Health Plan, when a patient requires an inpatient stay, then "preadmission certification" is required. To obtain preadmission certification for a State Health Plan patient, please call **1-800-672-7897**.

Certain procedures under the State Health Plan may require "prior approval." When you call us at **1-800-422-1582**, it's very important that you provide us with as much information about the procedure as possible.

BCBSNC Introduces Cosmetic Surgery BlueSM



A healthy person doesn't just have a healthy body; their mind and spirit must be cared for as well. That's why BCBSNC is offering Cosmetic Surgery Blue, a cosmetic surgery information and discount program that provides members with easy online access to everything they need to know about cosmetic surgery. Eligible members will receive a 15 percent flat rate discount off of the participating physician's regular surgical fees. Anesthesia and facility fees are not included.

Learn First—Save Later

Launched on November 1, 2001, Cosmetic Surgery Blue focuses first and foremost on educating members about cosmetic surgery. Research shows that the more knowledgeable patients are about their cosmetic surgical procedure, the more likely they are to be happy with the results. Our online resource at www.bcbsnc.com is easy for members to use and can help guide them through their questions about cosmetic surgery. Some of the information that can be found online includes:

- Information on general cosmetic surgery topics
- Questions to ask the doctor prior to a procedure
- Potential risk factors for various procedures
- What results one can reasonably expect
- Links to other helpful online resources

Cosmetic Surgery Blue Network

Our network of board certified plastic surgeons must be credentialed with BCBSNC as well as be a member of one of the following organizations--The American Society of Plastic Surgeons or The American Society for Aesthetic Plastic Surgery. To find out more about Cosmetic Surgery Blue, check our Web site or call **1-877-755-1111**.

www.bcbsnc.com



Increasing and Improving Menopause Counseling



With the baby boomer generation reaching middle age, an unprecedented number of women are now between the ages of 45 to 54 years, during which 90 percent of them will experience menopause. Appropriate management is important in addressing both the short-term symptoms and long-term health risks associated with menopause.

Hormone replacement therapy (HRT) and/or other management techniques like modifications in diet and exercise can greatly enhance the quality of life for these women by alleviating or reducing these symptoms and mitigating several health risks, including coronary heart disease and osteoporosis. However, there are also risks associated with HRT, including a possible increase in risk for endometrial cancer and breast cancer for some women. Therefore, there is insufficient evidence to recommend for or against hormone therapy for all women.

Because of the complexity and growing number of the treatment options to manage estrogen loss, both the US Preventive Services Task Force and the American College of Obstetricians and Gynecologists recommend that, at the appropriate time, women should be counseled and fully informed of the risks and benefits of, and possible alternatives to, HRT. Unfortunately, there is evidence even among Blue Cross and Blue Shield of North Carolina members that women are not receiving this information.

Based on 2001 HEDIS management of menopause survey scores, a significant percentage of perimenopausal women (25.7 percent) reported they have not received menopause counseling. Of the women who did report receiving counseling, 50.1 percent did not receive comprehensive counseling, and 53.1 percent said they did not receive counseling that addressed their individual concerns or their personal and family health history.

The choice about HRT or other management techniques should evolve through a collaborative decision-making process that results in an individualized plan to treat the symptoms and prevent the long-term effects of menopause. Many providers are doing an excellent job of facilitating this process. However, in other cases, even when counseling occurs, often it is not the physician who initiates the discussion, leaving the onus of receiving menopause information on the patient.

One recent study found that only 42 percent of physicians initiate discussions about menopause with their patients more than 75 percent of the time. The nature of the information provided during menopause counseling and the manner in which it is communicated is also important. Addressing women's attitudes towards HRT, listening to patients' fears in an understanding and non-dismissive way, and providing an opportunity for patients to share their views and ask questions can improve both acceptance and compliance with HRT and satisfaction with menopause counseling.



**BlueCross BlueShield
of North Carolina**

www.bcbsnc.com



¹ Cawood, J. & Morrow, T. (2000). "Management of menopause: A new HEDIS measure and an opportunity for health plans." *Managed Care Interface*, Aug., 65-69

² Grady, D., Rubin, S.M., Tetitti, D.B. et al. (1992). "Hormone therapy to prevent disease and prolong life in postmenopausal women." *Annals of Internal Medicine*, 117:1016-1037.

³ Rolnick, S.J., Kopher, R.A., Compo, R.B., Kelley, M.E. & DelFor, T.A. (1999). "Provider attitudes and self-reported behaviors related to hormone replacement therapy." *Menopause*, 6(3):257-263.

⁴ "Strategies for effectively addressing women's concerns about the onset of menopause and HRT." *Maturitas*, 33:S15-S23.

Quality Improvement Program Results



As a result of the collaborative efforts between providers and our Quality Management Department, Blue Cross and Blue Shield of North Carolina's (BCBSNC) HEDIS rates continue to improve. HEDIS, the Health Plan Employer Data and Information Set, is a set of measures designed to provide employers and consumers with information they need to compare the performance of managed care plans. We are proud to announce that our 2000 results showed an improvement in the areas of childhood and adolescent immunizations, cervical cancer screening, beta-blocker treatment, high blood pressure, and several aspects of care for members with diabetes.

In 2001, BCBSNC implemented several provider-focused interventions. Women's health toolkits were distributed to select physicians. The toolkits included a breast cancer necklace with beads representing various lump sizes, a patient brochure addressing common barriers to receiving mammograms, and a list of BCBSNC members who needed to obtain a mammogram. In addition,

letters were mailed to physicians reminding them of those BCBSNC members who needed cholesterol screening in the wake of an acute cardiovascular event.

BCBSNC also conducted two quality-related surveys for our HMO and POS members. The survey results will help direct future member and provider interventions. The member survey was designed to identify members' health beliefs, knowledge, attitudes, and practices in order to enhance quality improvement programs and interventions. A women's health survey was also administered to determine barriers to obtaining recommended services and to evaluate the effect of current interventions.

Through continued collaborative efforts, together, we can remain leaders in providing North Carolinians with quality health care. For more information or to request a copy of our Quality Improvement Program, please e-mail us at quality@bcbsnc.com.

Urgent Care Facility Standards



BCBSNC encourages its members to utilize urgent care facilities rather than hospital emergency departments for non-emergent conditions after their physician's office has closed for the day. We are committed to providing our members with access to quality health care; therefore, standards have been developed to encourage urgent care facilities to partner with us in providing that quality care. These standards, approved by the BCBSNC Physician Advisory Group, are in addition to the routine facility and medical record-keeping standards already in place.

1. A credentialed "Urgent Care Physician" must be on site during all hours of operation. The following specialties can be credentialed as urgent care physicians: family medicine, pediatrics, internal medicine, and emergency care.
2. The practice has an established quality improvement process. (i.e., Quality Improvement Committee with minutes of meetings, and care monitors appropriate for their practice.)
3. The facility has appropriate CPR equipment and the ability to perform advanced life support in a timely manner.
4. A transportation policy is in place for critical ill patients.

Facility Standards Update



Confidentiality is an ever-increasing concern to medical practices, members and health insurers. In an effort to provide guidance, BCBSNC has expanded two of the facility standards to better describe the appropriate maintenance of member confidentiality. Please review the following two standards carefully, as they will be monitored and scored in 2002. Changes are italicized for easy reference.

10. **There are written policies and procedures to effectively preserve patient confidentiality.** *The policy specifically addresses 1) how informed consent is obtained for the release of any personal health information currently existing or developed during the course of treatment to any outside entity, i.e., specialists, hospitals, 3rd party payers, state or federal agencies; and 2) how informed consent of release of medical records, including current and previous medical records from other providers which are part of the medical record, is obtained.*

11. **Restricted, biohazard, or abusable materials (i.e., drugs, needles, syringes, prescription pads, and patient medical records) are secured and accessible only to authorized office/medical personnel.** *Archived medical records and records of deceased patients should be stored and protected for confidentiality.*

Savings and Health Improvements Through Health Management Programs



BCBSNC is pleased to report that our health management programs continue to help improve the health and quality of life of our members with particular conditions, such as asthma and diabetes.

Since the *Your Asthma Care* program was launched in 1997, inpatient admissions due to asthma have decreased by 65 percent. Emergency room visits for people with asthma have fallen by 54 percent, and peak-flow meter use has increased by 64 percent. In addition, participants in this program have reported a 34 percent increase in their level of knowledge about how to prevent asthma attacks.

Likewise, diabetes admissions have fallen by 20 percent as a result of education received through our *Your Diabetes Care* program. The percent of members testing their blood sugar level has increased by 128 percent since the program began in 1997. Program participants with diabetes have reported a 22 percent increase in their overall knowledge of how to better manage their condition.

We also offer a prenatal program, *Your Baby & YouSM*, to expectant mothers. Partially because of effective prenatal education via this program, we have seen premature births drop by 60 percent since 1998. The number of days that a premature infant spends in the neonatal intensive care unit has fallen by 10 percent.

New for 2002

We're pleased to announce that beginning in January 2002, we will be collaborating with Accordant Health Services, Inc. to offer a new health management program to our HMO, POS and PPO members. Members who have ALS, cystic fibrosis, dermatomyositis, CIDP, Gaucher disease, hemophilia (A & B), multiple sclerosis, myasthenia gravis, Parkinson's disease, polymyositis, rheumatoid arthritis, sickle cell anemia, systemic lupus erythematosus, or scleroderma.

Your Healthy Best[®] Speciality Services program participants will receive comprehensive educational materials and personalized support from specially trained registered nurses. They will also have access to Web-based services including Nurse Chat, which is a one-on-one live chat session with allied health professionals, as well as disease-specific information, interactive presentations and other resources.

For more information on any of these free and confidential member programs, please call us at **1-800-218-5295** or refer a patient online via our Web site at www.bcbsnc.com.

HCFA-1500 Filing Requirement Change



In the spring of 2002, BCBSNC will require that all HCFA-1500 claims must be submitted with the referring physician's name and Unique Provider Identification Number (UPIN) included in blocks 17 and 17a.

When the performing physician is also the referring physician, the performing physician must enter his or her name and UPIN in the referring physician fields too. This information—required by Medicare since 1992—will enhance our ability to effectively coordinate and evaluate care delivery. We'll remind you again in the spring 2002 issue of *Blue Link!*



Claims Filing Reminders for Durable Medical Equipment Providers



Please remember that durable medical equipment items with a purchase or rental price greater than \$1500 require Prior Plan Approval for our HMO and POS members (Blue Care, Blue Choice, Personal Care Plan, and MedPoint). You may contact our Medical Resource Management department to request Prior Plan Approval by calling **1-800-672-7897, ext 1910**, or you may fax your requests to us at **1-800-228-0838**.

When filing claims to BCBSNC for reimbursement of Home Durable Medical Equipment (HDME), please follow these steps to ensure correct payment:

- Use the HCFA-1500 form
- Bill using appropriate HCPCS codes or BCBSNC billing codes
- Items with a purchase price of less than \$100 on the traditional reimbursement schedule must be purchased (no rentals)
- E1399 or other "miscellaneous" codes are to be used only in the absence of a designated HCPCS or BCBSNC billing code
- When billing "miscellaneous" codes, submit the following required documentation with the claim:
 - o Complete description of the item
 - o Factory invoice for the item with the initial claim
 - o Certificate of Medical Necessity form with physician's signature
- Rental rates are all-inclusive and include:
 - o Equipment
 - o Accessories
 - o Supplies
 - o Delivery, shipping and handling
 - o Labor
 - o Set-up
 - o Visits
 - o Education
 - o Maintenance
 - o Repairs and replacement parts
- Bill rental rates monthly
 - o Bill only for services that have already been provided to a member. Ongoing rentals will be processed at the end of each month of service.
 - o BCBSNC will prorate rental rates when items are rented for less than one full month.
 - o **Indicate rental modifier "RR" and beginning and ending dates of each rental period**
 - o Indicate the last day of the billing cycle as the ending date of service if an item is still being rented at the time you file a claim to BCBSNC.
- Rental rates are capped at purchase price
 - o The total payment for all rented items will be capped at the allowed purchase price of the item in the HDME reimbursement schedule.
 - o Once the total rental payments from all sources equal the stated purchase price, no additional payments will be made except as described in the "Maintenance and Repair" section of your BCBSNC Ancillary Manual.

If you would like additional information regarding HDME billing, please contact your BCBSNC educational specialist by calling Network Management at **919-765-3505**.

***Also see article on page 3 with update about wheelchair components priced less than \$1500 being added to Prior Plan Approval list as of December 1, 2001.*

Results of 2000 Provider-Specific Member Satisfaction Survey



The satisfaction of BCBSNC members is vital to our success. In order to monitor the level of satisfaction that members have with their physicians and to help identify any areas that may need improvement, the Provider-Specific Member Satisfaction Survey was developed. The survey has been conducted since 1995 and is now a semi-annual survey. Here are the results from the most recent 2000 survey:

Type of Service	Standard	Days Reported	Satisfaction Level
Routine Care	30 days for pediatrics and 60 days for adults	84% reported being seen within 30 days	87% of respondents reported very good or excellent satisfaction levels
Sick Care	Within 3 days	94.6% reported being seen within 3 days	91.1% of respondents reported very good or excellent satisfaction levels
Urgent Care	Same day	89.4% reported being seen on the same day	90.7% of respondents reported very good or excellent satisfaction levels
Overall Satisfaction	NA	NA	89.7% of respondents reported very good or excellent satisfaction levels

Members reported being much more satisfied with the length of time required to obtain an appointment than with the length of time they have to wait in the waiting room after they arrive for an appointment. Only 71 percent reported being very satisfied or satisfied with the time spent in the waiting room. Because of member's feedback, we encourage you to evaluate your scheduling policies and practices. At times when a delay is unavoidable, please notify the patient of the delay and give them the opportunity to reschedule.

Practices may obtain their individual results by contacting their BCBSNC Quality Management consultant.

HEDIS 2002: Medical Record Review



HEDIS 2002 is quickly approaching and now's the time to get your office's medical records ready for the upcoming review. Beginning March 1, 2002, BCBSNC Quality Management consultants will be coming to your office to audit and copy members' medical records for HEDIS purposes.

Every year, we must review medical records in order to verify that our members are receiving appropriate preventive services. These reviews are required for NCQA accreditation and allow us to tailor our quality improvement initiatives to meet our members' needs.

As part of your written contract with us, you agree to provide BCBSNC with medical records and any other documentation that may be needed for quality management purposes. The privacy of our members is of utmost importance to us, and we will take special measures during the HEDIS review and audit period to protect their privacy.

Your BCBSNC Quality Management consultant will contact your practice prior to their visit this March. We look forward to working together with your staff to ensure that 2002 is a good year for HEDIS measures and results.

BCBSNC to Resume Responsibility for Vision Care Services P

Effective May 1, 2002, BCBSNC will be terminating its contract with OptiCare Eye Health Network, Inc. HMO and POS members will receive notification in mid-March of the change in the administration of vision care services. BCBSNC will assume all customer service, claims processing, utilization management and appeals functions, as well as the provider contracting aspects of our new vision care network.

One change will be that routine eye exams will be covered at any participating provider that performs this service. Today, OptiCare contracts separately for routine vision care vs. medical or surgical eye services and members are often confused by the distinction. Members will also benefit from a prescription eyewear discount that will now include disposable contact lenses in addition to glasses and other types of contacts. All participating providers that own an optical dispensary will be required to provide this discount.

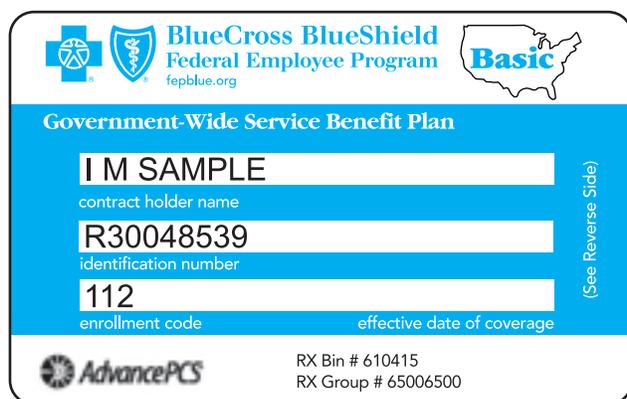
Changes to 2002 Service Benefit Plan for Federal Employees and Retirees

P F A Rx

The Blue Cross and Blue Shield Service Benefit Plan for Federal Employees and Retirees will mark the new year by merging our High Option enrollees into the Standard Option plan and by offering a new option to federal employees—Basic Option.

The new Basic Option plan offers a lower premium and no deductibles. It is an in-network only benefit program, meaning that Basic Option members must seek care from a preferred provider. Preferred providers who currently see Federal Employee Program (FEP) patients can continue to do so under the new Basic Option plan.

Basic Option members will have a distinct ID card as shown here:



Enrollment codes of 111 indicate individual coverage, while a code of 112 means family coverage. For additional information about the new Basic Options plan for FEP members, please call FEP Customer Service at **1-800-222-4739**.

New For 2002: Injectable Drug Vendor Network P

In early 2002, BCBSNC will introduce a network of specialty vendors who will supply select injectable drugs directly to your office. You will be able to order injectable drugs from any of the vendors participating in the network.

The vendor will ship the drugs directly to your office and will bill BCBSNC directly on your behalf—reducing time and paperwork for your office, as well as taking away the financial risk you may have encountered when supplying injectable drugs to patients in the past. If you choose, you can continue to purchase injectable drugs yourself and bill BCBSNC through your office. Utilization of the injectable drug vendor network will be voluntary.

Early next year, we will provide you with more detailed information about this new network, including a listing of participating vendors and injectable drugs included in the program.

Injectable Drug Benefits

Please note that for most BCBSNC members, self-administered injectable drugs will be covered as a prescription drug benefit. Injectable drugs requiring supervision by a health care professional should be filed as a medical expense.

For a list of commonly prescribed self-administered injectable drugs that are covered under BCBSNC prescription drug benefits, visit www.bcbsnc.com or call BCBSNC Customer Service with questions.

Time Saving Updates and Reminders



1 *2002 CPT and HCPCS Codes*

BCBSNC will begin accepting the 2002 CPT and HCPCS procedure codes as of January 1, 2002. Use the current 2001 CPT and HCPCS codes when filing claims with dates of service through December 31, 2001. Please convert to the new codes as soon as possible after the New Year in order to prevent claims being mailed back for recoding and resubmission.

2 *BCBSNC Commercial Business Phone Hours Extended*

We've extended our hours! Customer service representatives are now available to help you with your BCBSNC commercial business questions (excludes State Health Plan and Federal Employee Program customer service) Monday through Friday from 8 a.m. to 6 p.m.

3 *State Health Plan: Coverage for Allergy Shots*

Just a reminder in the midst of all the State Health Plan benefit changes that occurred this summer—allergy shots are still covered, but as of July 1, 2001, are now subject to a \$15 copayment.

4 *State Health Plan: Customer Service Toll-Free Number*

State Customer Service is always ready to assist you with your benefit or service-related questions. Remember, our toll-free number is **1-800-422-4658** and is dedicated to the State Health Plan.

5 *Magellan Provider Newsletter Online*

Did you know that you can access Magellan's provider newsletter online? Just go to their Web site at www.magellanprovider.com and click on "Provider Focus" and select the North Carolina region.

6 *Verifying BlueCard Benefits*

Please remember that benefits for BlueCard members should be verified with the member's Home Plan, which will be listed on their BCBS ID card. It's important to note that services that may not be on BCBSNC's Prior Plan Approval list may be on the member's Home Plan's Prior Plan Approval list.

Physician Credentialing Policy



Blue Cross and Blue Shield of North Carolina (BCBSNC) credentials providers participating in all of our managed care networks. The BCBSNC Credentialing Committee members carefully review any provider who is identified as having potential issues that may result in decredentialing.

If decredentialing is deemed appropriate, the provider is informed of their right to appeal, which includes, but is not limited to, a full review of the information submitted in support of their credentialing application. If you have questions about the credentialing process, please contact your BCBSNC Network Management coordinator.

Let's Work Together to Reduce Claim Mailbacks

Mailing back claims due to insufficient or incorrect information is time-consuming for all involved. Not to mention that it delays the timely resolution of claims for Blue Cross and Blue Shield of North Carolina (BCBSNC) members.

With all the HCFA-1500 claim mailbacks we deal with on a daily basis, we have noticed that one of the primary reasons for mailbacks is because the provider roster is not being updated with current provider and group practice information. When filing claims, be sure to use the correct and current provider and group practice numbers. By working together on resolving these issues and the others listed below, we can eliminate a large volume of provider mailbacks

1. BCBSNC does not show that the provider number listed in block 24K of the HCFA is rendering services with the group listed in block 33 of the HCFA.
2. The provider number for the physician rendering services was not included in block 24K and/or the group number was omitted from block 33.
3. The provider number in block 24K and/or the group number listed in block 33 are not valid numbers.
4. BCBSNC records indicate the individual provider in block 24K was not rendering services with the group in block 33 at the time of service.
5. Either the provider number in block 24K and/or the group number in block 33 are no longer effective with BCBSNC.
6. The provider number in block 24K and/or the group number in block 33 were not effective until after the date of service.
7. The member name and ID number does not match the information on the member's BCBSNC ID card.
8. The provider roster has not been updated with current updated information.
9. The diagnosis code and/or the CPT code filed on the claim are not valid.
10. HCFA claims should not be filed with decimals in the unit field. For example, "1.0" may be read incorrectly by the scanner as 10 units.



BCBSNC Helping to Promote Responsible Use of Antibiotics



With the start of cold and flu season and the potential for an increase in antibiotic prescriptions brought on by the threat of bioterrorism, Blue Cross and Blue Shield of North Carolina (BCBSNC) is working to educate North Carolinians about the proper use of antibiotics and the potentially serious health risks associated with the improper use of these powerful medicines.

Save Antibiotic Strength

As a member of the Coalition for Affordable Quality Healthcare (CAQH), Blue Cross and Blue Shield of North Carolina is working with the Centers for Disease Control and Prevention (CDC) and the Alliance for the Prudent Use of Antibiotics (APUA) in *Save Antibiotic Strength*, a program to help preserve the power of antibiotics. The CDC estimates that approximately 50 million of the 150 million antibiotic prescriptions written annually are unnecessary.

In collaboration with Whitehall-Robins and Kerr Drugs, BCBSNC is putting antibiotic education materials into the hands of doctors, patients and the general public. *Save Antibiotic Strength* is designed to educate patients about the threat of antibiotic resistance and to arm physicians with information and tools to support appropriate antibiotic use.

One goal of the campaign is to educate consumers that antibiotics do not work against viral infections like viral pharyngitis, the common cold, or the flu. We are also stressing the proper use of antibiotics and the health risks—both individual and public—that can result from the overuse or stockpiling of antibiotics "just in case." And, we're stressing to consumers that they should not pressure you into prescribing them an antibiotic, when it's clearly not indicated as the proper course of treatment. For more information about the *Save Antibiotic Strength* campaign, go to www.caqh.org or contact us at wellness@bcbsnc.com.

Synagis Update



Over the last three years, Blue Cross and Blue Shield of North Carolina (BCBSNC) has communicated with physicians regarding the administration of Synagis. We have continued to make administrative policy changes regarding the access of and reimbursement for this important drug. You can access our medical policy online at www.bcbsnc.com. Our goal via these policy changes is to ensure that every BCBSNC member requiring this treatment has the most economical access to it under their policy.

Last year, we asked physicians to agree to supply and administer Synagis in their offices, thereby limiting out-of-pocket costs incurred by our members enrolled in copayment products to just the office copayment. We believe this approach presents a very limited risk to your practice. Synagis manufacturer, MedImmune, will supply physician practices and has deferred billing arrangement that allows you to administer, file and receive BCBSNC payment for the treatment prior to paying MedImmune. We encourage physicians for whom this approach worked last year to continue to work directly with MedImmune in order to obtain the drug at a competitive price.

Other Payment Options

As an additional option to deferred payment, three specialty pharmacy providers have agreed to ship Synagis directly to your offices and will bill BCBSNC for the drug. If you choose to receive Synagis in this manner, then you should only bill BCBSNC for the administration of the drug. The pharmacy provider will bill BCBSNC directly for the cost of the drug. These pharmacy providers are:

- Caremark at [1-800-237-2767](tel:1-800-237-2767)
- Gentiva Health Services at [1-800-866-0566](tel:1-800-866-0566)
- Nova Factor at [1-877-482-5927](tel:1-877-482-5927)

For homebound infants, Synagis may be administered by a home health agency. Please contact BCBSNC Customer Services at [1-800-214-4844](tel:1-800-214-4844) to determine a patient's specific home health benefits. Receiving Synagis at home is usually a more costly option than receiving it in a physician's office.

BCBSNC Network Management office staff is available to discuss your Synagis questions and will continue to provide you and your staff with support as needed through this process.

Drugs to be Added to HMO Prior Approval List



Prior approval is a prospective drug utilization program that encourages the appropriate use of a prescribed drug. Currently, only BCBSNC members with Personal Care Plan or Blue Care (our HMO products) must have growth hormones or botulinum toxins approved prior to use.

Effective January 1, 2002, five new drugs—Lamisil, Sporanox, Celebrex, Vioxx and Accutane—will be added to the prior approval list for Personal Care Plan and Blue Care. To minimize inconvenience to both you and our members, our pharmacy claims system will allow automatic authorization for Lamisil, Sporanox, Celebrex, and Vioxx when a member's drug history or other factors, such as age, establish that clinical coverage criteria has been met.

Please visit www.bcbsnc.com for more details on our drug utilization management programs.

HIPAA Updates



The administrative simplification regulations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) call for the standardization of all code sets by October 2002.

In order to meet these regulations, BCBSNC will begin to standardize code sets and eliminate codes that are not compliant with the standard code sets. These code sets include:

- ICD-9-CM
- CPT
- HCPCS
- CDT (were HCPCS dental codes, but are now ADA codes, prefixed with "D")
- Elimination of local codes

These common code sets will enable a standard process for electronic submission of claims and will result in consistency of coding throughout the industry. You may want to start reviewing your own code sets in order to ensure that you will be in compliance with the new regulations in the fall of 2002. Be on the lookout for future HIPAA updates in upcoming issues of *Blue Link*.

www.bcbsnc.com



Notification of Payment for BlueCard Member Services



Please be aware that while you may receive a Notification of Payment (NOP) from Blue Cross and Blue Shield of North Carolina for services rendered to a BlueCard patient, that the patient will also receive notification of payment from his or her Home Plan.

Sometimes, you may notice a slight difference in the two NOPs as they relate to the denial and/or payment codes because there are two different Blues Plans involved. However, the allowed amount, member liability, and provider contractual adjustment amounts that appear on your BCBSNC Notification of Payment will be correct and should be the amounts used to reconcile any outstanding billing issues with the BlueCard member.

If you need further assistance with issues of NOPs for BlueCard members, please call our BlueCard Customer Service department at **1-800-487-5522**.



**BlueCross BlueShield
of North Carolina**