

# BLUEREVIEW

For Contracting Institutional and Professional Providers

July 2006

## WE'RE WORKING WITH YOU TO ENSURE Cost Effective Health Care with Improved Outcomes

In this issue, Brad Buxton, Senior Vice-President of our Health Care Management Division, identifies some of the key challenges and decisions health care delivery systems face to meet the demands of rising health care costs and improved technology.

Blue Cross and Blue Shield of Illinois (BCBSIL) has a history of developing and maintaining strong working relationships with physicians and hospitals. As we look to the future, we are committed to further strengthening our relationships and working together to develop programs and products that will move us toward an improved health care system.

Today reimbursement is still largely based on units. Health care professionals are reimbursed based on the number of procedures performed, which establishes an inflationary payment system with no regard for outcome. We need to work together to develop and support programs that will continue to improve health outcomes.

Through our collective efforts, we have made tremendous progress in Illinois in terms of measuring outcomes and developing a reimbursement system based on outcomes and value.

### Equating Outcome to Reimbursement

Eight years ago BCBSIL introduced a program that rewarded contracting HMO Medical Groups for high levels of performance, as measured through improved HEDIS results. The results of the program have been excellent, and we intend to develop a similar program for our contracting PPO Fee-For-Service (FFS) physicians.

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## RADIOLOGY QUALITY INITIATIVE (RQI) PROGRAM REMINDER

On April 15, 2006, we began the Radiology Quality Initiative (RQI) program, implemented through American Imaging Management, Inc. (AIM) for Blue Cross and Blue Shield of Illinois (BCBSIL) PPO and BlueChoice Select members. The RQI program requires ordering physicians to obtain an RQI number for non-emergency outpatient diagnostic imaging CT, CTA, MRA, MRI, MRS, PET, and Nuclear Cardiology procedures by following the steps below.

### Online Requests

Ordering physicians must register at [www.americanimaging.net](http://www.americanimaging.net) to begin using AIM's interactive Web site. RQI numbers can be requested on this site 24 hours a day, 7 days a week. Once you are registered, you can request an RQI number, verify that an RQI number was issued or confirm that the number is correct.

### Telephone Requests

Contact AIM's Call Center toll-free at (866) 455-8415, Monday through Friday, 8:30 a.m. to 6 p.m. (CST), to request an RQI number or to verify that an RQI number has been issued.

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# WE'RE WORKING WITH YOU TO ENSURE Cost Effective Health Care with Improved Outcomes

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To begin this process, we have designed a pilot program that links outcome-based reimbursement to PPO physicians. Our biggest challenge is measuring performance in a pay-for-performance model program. We do know from our HMO product that improved processes lead to improved outcomes. It may take some time to finalize this program, but we are certain that by working together, we can ultimately develop a program that will reward performance and improve outcomes.

On the hospital front, we have successfully implemented a Hospital Profile tool. This tool has allowed us to build a hospital's performance results into our reimbursement agreements, and to reward hospitals for improved performance. Eventually we will be able to merge both the hospital and physician processes, and then we can work together to reduce administrative burdens.

## Connecting with Providers through Technology

We continue to expand our online connection capabilities to help network providers improve health care treatment efficiencies. Information should flow between doctors, hospitals, payers and other ancillary providers in an efficient and timely manner, so you can better treat your patients.

We also need to improve our system capabilities over the next few years, so we are not only offering incentives for providers to improve health outcomes, but we are supplying providers with the real time information to make it possible.

What tools do you need? We must do a better job of providing you with information about the patient. We now have more medical information about our members that we can share, such as:

•**Claim History:** We hope to supply physicians and hospitals with access to a summary of a patient's claim history.

•**Personal Health Management Tool:** You can use this online tool to enter a patient's medical record information so that it is



available electronically to hospitals in an emergency situation.

The movement of information is still inadequate in some areas. For example:

•**Clinical Transactions:** We should be able to transfer electronic medical records from one institution to another, upload, use, and send that information to a personal health record.

•**Financial Transactions:** Reimbursement must flow easily and quickly, with the information necessary to complete payment over a protected space.

•**Secure e-mail:** Patients should be able to speak with their physicians online, and make medical and claim information available in real time to the caregivers who need it.

We continue to ally with companies that are proficient with e-health, and we are committed to ensuring that there is appropriate connectivity between providers and payers to improve communication.

## Moving Members toward Compliance

Consumer-based products that give members incentives to improve their health continue to evolve. We have developed our Blue Points<sup>SM</sup> program, where members earn rewards for taking steps to improve their health, such as completing their prescriptions online. We are looking at creative ways to measure compliance and offer incentives through benefit programs, or adjusting co-payments and deductibles for members who make positive choices. When members are compliant, it helps you do a better job managing their care, and ultimately serves to strengthen the doctor/patient relationship.

The further development of the benefit plans and rewards systems on our consumer-based plans, and other products, will drive better decision-making and compliance than it has in the past.

## In summary

Over the past several years we have made significant improvements by working together with the health care community. We need to continue on this course in order to ensure that our members continue to receive cost effective health care with improved outcomes.

The key to our success is maintaining a strong collaborative relationship with our contracting provider network, one that focuses on the wellness of the people we serve.

# WE'RE SAVING A PLACE FOR YOU!

## WORKSHOP SCHEDULE

The Blue Cross and Blue Shield of Illinois (BCBSIL) Provider Affairs Education Team is proud to continue the tradition of offering complimentary workshops and seminars to our contracting provider network. We will continue to bring new, experienced and specialty educational workshops to you that will maximize your effectiveness and satisfaction with the BCBSIL network. Make sure to go online at [www.bcbsil.com/provider/training.htm](http://www.bcbsil.com/provider/training.htm) to view the schedule and register for our workshops offered at a location near you.

WORKSHOP	DATE	LOCATION	TIME FRAME
<b>Physician Workshop</b>	August 1, 2006	Off-site – Pekin Hospital, Pekin, IL	Half Day
<b>HMO Admin Forum</b>	August 9, 2006	In-house – BCBSIL	Half Day
<b>BlueCard/Labor Group Focus Workshop</b>	August 16, 2006	Off-site – Trinity Medical Center Moline, IL	Half Day
<b>Experienced Contracting Provider Workshop</b>	August 23, 2006	In-house – BCBSIL	Half Day
<b>BlueCard/Labor Group Focus Workshop</b>	September 14, 2006	Off-site – Trinity Hospital, Merrillville, IN	Half Day
<b>BlueCard/Labor Group Focus Workshop</b>	September 21, 2006	Off-site – Red Bud Regional Hospital, Red Bud, IL	Half Day
<b>Hospital Workshop</b>	September 26, 2006	Off-site – St. Joseph Med Center Hospital, Bloomington, IL	Half Day

## e-Solutions Workshop and Vendor Fair

### Interactive Innovation Impacting Change

Blue Cross and Blue Shield of Illinois is pleased to announce the e-Solutions Workshop and Vendor Fair on Wednesday, August 30, 2006

**Maximize your cash flow and reduce paper by participating in one or more of the following breakout sessions:**

- Online verification of eligibility, benefits and claim status
- Electronic Remittance Advice (ERA)
- Electronic Funds Transfer (EFT)
- Electronic Payment Summary (EPS)
- Claim Submission/Confirmation Reports

You'll get this information and more, if you attend our **Interactive** e-Solutions Workshop and Vendor Exhibits.

**8 a.m. – 1:30 p.m.**  
**Blue Cross and Blue Shield of Illinois**  
**300 East Randolph Street**  
**Chicago, Illinois 60601**  
**(312) 653-4019**

Visit <http://www.bcbsil.com/provider/training.htm> to view the agenda and register online.

**Complimentary  
Workshop and  
Continental  
Breakfast!**

**Live Demos!!  
Hands On!!  
PRIZES!!**

In an effort to comply with Fairness In Contracting Legislation, and keep our contracting providers informed, BCBSIL has designated a column in the *Blue Review* to notify you of any changes to the physician fee schedules. Be sure to review this area each month.

Effective July 1, 2006, BCBSIL will implement its annual update of the Schedule of Maximum Allowances (SMA) in relation to the CMS Resource Based Relative Value Scale (RBRVS) revisions. Reimbursement for services provided on or after July 1, 2006, will be based on the updated fee schedule. This update affects PPO and BlueChoice fee schedules. Providers may request fee schedules for this update starting June 26, 2006. Please note that the fee schedule form is available by downloading the Fee Schedule Request Form at [www.bcbsil.com/provider/forms.htm](http://www.bcbsil.com/provider/forms.htm).

Effective August 1, 2006, allowance for J1438 will be updated.

## DID YOU KNOW?

### How to Obtain a Reconsideration

BCBSIL offers you the opportunity for peer to peer discussion, following a non-certification of benefits for services, with one of our Physician Advisors through our Reconsideration process. You, as the treating physician, can provide additional clinical information to a BCBSIL Physician Advisor that is pertinent to the member's case, before initiating the appeal process.

The attending or treating physician must contact our PTC at (800) 972-8088 to request a reconsideration. You will be contacted by the BCBSIL Physician Advisor who made the determination.

**Note:** Only the attending or treating physicians can request a peer to peer discussion. The review will not proceed if requested by your office staff.

## RADIOLOGY QUALITY INITIATIVE (RQI) Program Reminder

(Continued from page 1)

### Fax Requests

Complete an AIM provider fax form including all required information and fax to (800) 610-0050. You may download this fax form from AIM's Web site, [www.americanimaging.net](http://www.americanimaging.net), or contact AIM's Call Center to receive a form.

### Ordering providers:

- BCBSIL transmits provider and member data to AIM on a weekly basis. If you are a contracting provider, but do not appear in the AIM database, call (312) 653-5333.
- If AIM indicates that a member is not found in the membership file, please continue to order the service. Members may not be found for the following reasons:
  1. Newborn
  2. New member
  3. Dependent of a Labor group subscriber
  4. BlueCard members
  5. BlueChoice (POS members are not included in the RQI program)

### Servicing providers:

- Please verify an RQI request at [www.americanimaging.net](http://www.americanimaging.net) or by calling the AIM Call Center at (866) 455-8415.

### Predeterminations

Please verify eligibility and benefits prior to rendering services. AIM will inform you if a predetermination is required. You can download the Predetermination Form from the BCBSIL Web site under Provider Library Forms, and fax the information to (217) 698-2144.

### Precertification

The RQI program is not a substitute for the prenotification/precertification process. Accounts such as the City of Chicago, Chicago Public Schools and the Board of Education still require providers to follow the current Utilization Management Programs in place for these members as well as the RQI process.

### Other Helpful Tips:

- In any situation, if Medicare is the primary carrier, an RQI number is not required.
- RQI numbers are valid for 30 days from the date issued. Retrospective requests will not be considered.

### Resources

There are a number of online tools available for your use when you visit the BCBSIL Web site at [www.bcbsil.com/provider/provider](http://www.bcbsil.com/provider/provider) or the AIM Web site at [www.americanimaging.net](http://www.americanimaging.net)



On December 8, 2003, President Bush signed into law the Medicare Prescription Drug, Improvement and Modernization Act of 2003. In accordance with Section 1011, the Act authorizes federal funds for payment to hospitals, physicians, and ambulances for emergency services provided to undocumented immigrants.

TrailBlazer Health Enterprises was chosen as the contractor to administer this program by the Centers for Medicare and Medicaid Services (CMS). Through the program, which began May 10, 2005, all claims must be submitted through Direct Data Exchange (DDE). No other electronic formats are accepted.

BCBSIL has provided easy access to TrailBlazer by giving you a link that "bounces" directly to TrailBlazer's network for the electronic submission of undocumented immigrant claims. Hospitals, physicians and ambulance providers, who wish to participate in this program, must complete a Provider Enrollment Application with TrailBlazer. TrailBlazer will provide you with an identification number and password. To obtain an application, and for more information regarding Section 1011 and the electronic claim submission process, visit TrailBlazer's Web site at <https://www.trailblazerhealth.com/Section1011/Default.aspx>.

Once approved from TrailBlazer, you may proceed signing-on to BCBSIL's DDE system. Below are easy to follow instructions on how to submit Section 1011 claims:

**Screen 1:**

Once at the Private Network introduction screen, enter SCMED at the command prompt, hit the enter key. (F.Y.I. - TrailBlazer is located in South Carolina, MED = Medical).

**Screen 2:**

Enter the ID Number issued by TrailBlazer, hit enter.

**Screen 3:**

Enter the Password issued by TrailBlazer, hit enter.

**Screen 4:**

Select Option "C" for Section 1011 Payment Requests, hit enter.

**Screen 5:**

For "Claims Entry" select Option 2, hit enter.

**Screen 6:**

Select the desirable option, proceed as indicated on screen.

**Screen 7:**

Enter the claim information, proceed as indicated on screen.

If you require additional information, please contact the TrailBlazer technical support line at (866) 749-4302.

**State License Number for Multi-Specialty Groups Required**

In the May *Blue Review*, we informed our electronic submitters of the requirements regarding the State License number on electronic claims when involving a Multi-Specialty Group. During July, claims submitted electronically without a valid nine (9) digit State License number will receive a "warning" message on The Health Information Network (THIN) Response Report informing the submitter the Rendering Provider information is missing. **Note:** This warning message will become a rejection 30-60 days thereafter.

**Photocopying Medical Records**

In connection with the claim adjudication process, periodically, we may request a member's medical records. BCBSIL will not pay for any photocopying fees associated with furnishing these medical records. Any such administrative costs should not be billed to our members.

You will not be reimbursed if you submit a billing statement to us for photocopying fees. We appreciate your cooperation with this policy.

**ACCOUNT INFORMATION**

Group Name	Group Number	Alpha Prefix	Product Type	Effective Date	BlueCross	BlueShield
Rockford Construction Industry	P79444	CIF	PPO(Portable)	July 1, 2006	X	X
Albertsons LLC	017701-017724, 017729-017733, 017735, 017748-49 017754-017757, 017758-017763	AQB	PPO(Portable)	June 1, 2006	X	X

## WE'RE CLOSING THE AUTOMATION GAP...

### EMC Rates on the Increase

Four years ago, Blue Cross and Blue Shield of Illinois (BCBSIL) embarked on an ambitious corporate initiative to reduce the amount of paper claims we receive and increase the number of claims submitted electronically. At that time, our overall Electronic Media Claim (EMC) submission rate was only 68%. You worked with us to increase the number of claims you filed electronically, while at the same time decreasing duplicate submissions. As a result of our provider connectivity efforts, system upgrades and enhancements and the strong relationships built by our Provider Relations team, we are pleased to report that our EMC rate is now 85%, and the volume of duplicate claims submitted has gone down from 3.6% to 2.1% representing approximately 750,000 claims.

One of our contracting institutional providers, Rush North Shore Medical Center, has maintained a consistently high level of EMC submissions over the past 3 years and they continue to look at ways to improve efficiencies. Through collaborative efforts between departments, the hospital has been able to achieve and maintain an EMC rate of 99.5%.

According to Jim Warner, Hospital Patient Accounts Manager, improved communication, cooperation and teamwork between the Registration and Patient Accounts Departments is key to the hospital maintaining their high EMC submission rates. With dedicated staff and management in those departments working more closely together, and increased utilization of online resources, their goal now is to transmit 100% of hospital claims electronically. Each department has implemented a "best practices" approach that includes:

- Eligibility verification for every member
- Quality checking for correct codes
- Double checking edits before billing electronically
- Verifying that all required fields are populated

The hospital was able to reduce the number of duplicate claims resubmitted by performing up front edits that eliminate rejections. Their BCBSIL Network Consultant also identified barriers that prevented EMC submissions and helped them track their progress.

BCBSIL encourages all of our network providers to help improve efficiencies by filing claims electronically. Submitting claims electronically and using online resources to check claim status is key to increasing administrative efficiencies. It not only improves claim quality, decreases claim cycle and payment time, but reducing paper reduces health care costs.

We know you expect outstanding service and operational excellence from us. We will be working together with you to develop strategies to maintain this momentum and to address challenges. With your continued cooperation, we can maintain and build upon these great results.



## CROSSOVER - Medicare Primary/Blue Cross and Blue Shield Secondary Claims

Crossover is the most efficient and cost effective process for your Medicare Primary/ BCBS Secondary claims. After you submit your claims to Medicare, they will automatically crossover to BCBS. The electronic crossover claims contain the claim and remittance data needed to process the BCBS Secondary claims. BCBS will adjudicate the crossover Secondary claims and reimburse you. This means you do not need to spend time submitting a claim to us. Only submit a Secondary claim to us when a claim failed to crossover. Failure to crossover is usually due to a missing Health Insurance Claim Number (HICN).

### How can I be certain that a claim crossed over?

Your Medicare Remittance Advice (RA) will contain a message that the claim was forwarded to BCBS. But remember, the claim is not crossed over until after the Medicare 14 day payment holding period.

### What do I do if a claim did not crossover?

You may submit the claim to BCBS electronically. You should wait at least 21 to 30 days after your submission to Medicare, before submitting the claim to BCBS. This time frame takes into account the 14 day payment holding period, then 7-10 days for BCBS to adjudicate the Secondary claim.

For more information on the data necessary for the electronic submission of Medicare Primary/Blue Cross and Blue Shield Secondary claims, you may access the Medicare Supplemental Claim Submission Reference Guides located at [www.bcbsil.com/provider/referenceguide.htm](http://www.bcbsil.com/provider/referenceguide.htm).



## MANAGED CARE Web Updates

### **HMO, BlueChoice and BlueChoice Select Updated Policy and Procedures on Web**

On a monthly basis we post updated policy and procedures on the Web under "Updates". Go to [www.bcbsil.com/provider](http://www.bcbsil.com/provider) to view the updated policies.

### **HMO, BlueChoice and BlueChoice Select Appointment/Reappointment Report on Web**

On a monthly basis we post a report of the Appointed and Reappointed providers on our Web site. To access this report, go to [www.bcbsil.com/provider](http://www.bcbsil.com/provider). Select "Appointed/Reappointed PCPs/PSPs" under the Credentialing/Contracting section. The data provided is cumulative and is updated by the 3rd Wednesday of each month.

### **BlueChoice POS/BlueChoice Select Updated Depart List**

A listing of all specialists no longer participating in the BlueChoice/BlueChoice Select network can be found at [www.bcbsil.com/provider/bluechoice\\_select.htm](http://www.bcbsil.com/provider/bluechoice_select.htm). Also listed is the most current product information.

## **WE'RE GLAD YOU ASKED. . .** who is eligible for a NPI?

May 23, 2007, is the compliance date for use of the National Provider Identifier (NPI) as the standard identifier on all HIPAA transactions. As we work through our corporate implementation of NPI, we want to continue to address your issues and concerns. Here are just a few of the questions that have been asked:

### **Q: Who is eligible to receive an NPI?**

**A:** Entities who meet the definition of "health care provider," as defined at 45 CFR §160.103, are eligible to receive National Provider Identifiers (NPIs). Health care providers include hospitals, nursing homes, durable medical equipment suppliers, clinical laboratories, pharmacies and other "institutional" type providers; physicians, dentists, pharmacists, nurses and many other health care practitioners and professional; group practices, health maintenance organizations and others. However, it is anticipated that there may be some providers that do not meet this regulation definition and, therefore, will not be eligible to receive an NPI.

### **Q: Is a health care provider required to obtain an NPI?**

**A:** Under the National Provider Identifier regulation (that was published in the Federal Register on January 23, 2004), a health care provider who is a covered entity, as defined at 45 CFR §160.103, is required to obtain an NPI by May 23, 2007.

### **Q: Who is a covered entity?**

**A:** The Administrative Simplification standards adopted by Health and Human Services (HHS) under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) apply to any entity that is:

- A health care provider that conducts certain transactions in electronic form (called here a "covered health care provider")
- A health care clearinghouse
- A health plan

An entity that is one or more of these types of entities is referred to as a "covered entity" in the Administrative Simplification regulations.

### **Q: Can a non-covered entity obtain an NPI?**

**A:** Health care providers who are not considered covered entities (because they do not engage in transactions in electronic form) may also apply and be assigned an NPI. However, if the provider does not meet the regulation definition of "health care provider," he/she will not be able to obtain an NPI.

BCBSIL will continue to use the *Blue Review*, our provider Web site and other communication mediums as the primary means to inform you of our efforts during the implementation of NPI. We trust that the information is beneficial.



Visit our Web site at  
[www.bcbsil.com/provider](http://www.bcbsil.com/provider)

## Have an idea for an Article?

Your views are important to us, and we would like to know if our newly redesigned *Blue Review* meets your needs.

- **How useful is the information?**
- **Is this publication easier to read?**
- **Are there topics you want us to include in future issues?**

If you have suggestions on how we can further improve the *Blue Review*, or just want to share your feedback, please email us at [bluereview@bcbsil.com](mailto:bluereview@bcbsil.com).

Remember, the *Blue Review* is your newsletter, designed to serve you as a contracting provider. You are an integral part of BCBSIL's success as a leader in the health care industry, and we highly value your opinion.

*Blue Review* is a monthly newsletter published for Institutional and Professional Providers contracting with Blue Cross and Blue Shield of Illinois. We encourage you to share the content of this newsletter with your staff. The *Blue Review* is located on our Web site at [www.bcbsil.com/provider](http://www.bcbsil.com/provider).

The editors and staff of the *Blue Review* welcome letters to the editor. Address letters to:

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300 E. Randolph Street – 25th Floor  
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Email: [bluereview@bcbsil.com](mailto:bluereview@bcbsil.com)

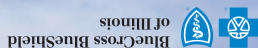
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