

May 12, 2009

Issue 09-2009

Health Care Reform

Important Information about the Medicare, Medicaid and SCHIP Extension Act of 2007

An important law called the Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA) became effective January 1, 2009. Section 111 of MMSEA requires group health plans, insurers or third party administrators to submit additional Medicare Secondary Payer related information to the Centers for Medicare and Medicaid Services (CMS).

Highmark's Role

Some group health plans, insurers and benefit administrators, including Highmark, were already voluntarily exchanging data with CMS under prior agreements. Under Section 111, Highmark is the responsible reporting entity for its insured and self-funded groups and must collect and submit the following information:

- Social Security Numbers for subscribers (also known as contractholders)
- Social Security Numbers for spouses and domestic partners age 45 and older
- Social Security Numbers for dependents of any age who have certain disabilities or have end stage renal disease ("ESRD")
- Employer size
- Employer Identification Number ("EIN") or Tax Identification Number ("TIN")

A copy of the ALERT issued by CMS regarding the need to collect Social Security Numbers and EINs or TINs is attached for your reference. To view additional information issued by CMS regarding Section 111 reporting, log onto the CMS Web site at www.cms.hhs.gov/mandatoryinsrep.

The Group's Role

We currently have some of the information required by Section 111. We are notifying groups of our need to collect the additional information and will be sending them lists of the information we are missing. Some of those groups may contact you to help them collect the necessary information.

Watch for additional information concerning the collection of this data in future *Producer News* publications. For more information about Section 111 of MMSEA, please contact your Highmark client manager.

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General News

Care Comparison Costs tool on Member Website

A new online tool allows Highmark members to "comparison shop" by researching what different facilities charge for elective surgical procedures

"Care Comparison Costs" is a new tool in the "Your Spending" section of the Member web site that allows Highmark members to look up facility-specific, average cost ranges for common elective surgical procedures from admission to discharge, including cataract surgery, laparoscopic gallbladder surgery, and pregnancy delivery.

The tool helps members to identify which medical facilities in a particular region offer the type of care they seek at a cost that suits their medical budget. "Care Comparison Costs" is especially useful for members who:

- Weigh costs when deciding where and when to receive care
- Track and manage their medical spending closely — including those whose coverage includes deductibles and coinsurance

Highmark developed "Care Comparison Costs" in partnership with other Blue Cross and Blue Shield health plans.

To explore the "Care Comparison Costs" tool, producers and their employer clients can log into the Member demo site on Highmark's Employer portal. Select the "Typical Medical Costs" page from the "Your Spending" tab, and then select "Care Comparison Costs."

Covers both hospitals and free-standing medical facilities

After entering the state or zip code where they are considering scheduling surgery and then selecting one of 17 elective surgical procedures, members will see a list of network hospitals or ambulatory surgery centers in that area that provide the care.

For each facility listed, an average minimum and maximum cost for the care is provided. Additional fees that are incurred as part of certain procedures, such as anesthesia or pathology (laboratory testing) services, are included in the cost amounts that member see.

To help members weigh clinical experience as a factor in choosing providers, the tool also lists the average number of times each facility performs the surgical procedure annually.

Includes cost data for many regions nationwide

If a member searches for a location that is not covered by the tool, they will be linked to the "Treatment Cost Estimator," a related tool offered by the Blue Cross and Blue Shield Association (BCBSA).

"Care Comparison Costs" contains cost information for network hospitals and ambulatory surgery centers in the 29-county western Pennsylvania region as well as in select markets in Ohio, Indiana, Kentucky, Maine, New Hampshire, Colorado, California, Wisconsin, Georgia, Michigan, Minnesota and Washington.

Reciprocal links to health content

Another feature of the "Care Comparison Costs" tool allows members to learn more about a specific surgical procedure, or the condition it treats, by clicking on that name and then being directed to its entry in the Member site Health Encyclopedia.

Conversely, members who are reading the Health Encyclopedia will see links to the "Typical Medical Costs" page from any procedure, test, disease/condition, or special topic that has cost data in the "Care Comparison Costs" tool.



"Care Comparison Costs" contains cost information for network hospitals and ambulatory surgery centers

Producer Affairs News

Periodic Review of Highmark's Producer Policies

Please remember to review Highmark's Producer Policies on a regular basis. The Policies have been published to make it easier for you to do business with Highmark. They are available post password on the Producer Portal: Select the "Resources" Tab and then the "Producer Policies" folder, on the left of the screen. The folder includes a table of contents for ready reference to a particular policy:

- **Brand Compliance-1:** Producer Compliance with Blue Cross and Blue Shield Association (BCBSA) Brand Regulations
- **COR- 1:** Submission and Filing of Consultant of Record (COR) Letters – For New-to-Blue Fee-Based Business and Changes for Existing Fee-Based Business (51 or more employees); a sample Consultant of Record (COR) Letter is included as Attachment I
- **Data Release-1:** Release of Reports@Hand to Agencies/Producers --Western Regional Accounts ASO clients and insured clients with 100+ employees only
- **Data Release-2:** Release of Client Risk Profiles to Agencies/Producers -- for Western Regional Accounts ASO clients; a Reference Guide to the Client Risk Profiles is included as an Attachment
- **Disclosure-1:** Disclosure of Commission Amounts - 51 or More Employees (experience rated and self-insured and 50 or Fewer Employees (demographically rated groups); a sample Commission Disclosure Certification Form is included as Attachment I; a sample Commission Discrepancy Form is included as Attachment II
- **LOA-1:** Letters of Authorization -- all size markets; a sample acknowledgement letter to the client is included as Attachment I
- **Pool-1:** Effective Date for Commission payments for "Pool to Pool" movement -- all size markets
- **POR-1:** Submission and Filing of Producer of Record (POR) Letters -- all size groups; a sample letter for groups with 51 or more employees is included as Attachment I; a sample letter for groups of 50 or fewer employees is included as Attachment II
- **POR-2:** Effective date for Producer of Record letters -- all size markets; a sample rescission letter is included as Attachment I
- **POR-3:** Retroactive commission payments for Producer of Record -- all size markets
- **Producer Affairs Procedure #2007-02:** Notification by a Highmark Blue Cross Blue Shield (HBCBS) General Agency When a Highmark Appointed Producer Leaves the Agency; a sample Form HBCBS Notification Appointed Producer Has Left General Agency is included as Attachment I; a sample HBCBS Producer Portal Access Request is included as Attachment I-A; a sample Producer Transfer Form is included as Attachment II

If you have any questions concerning the items in this issue, please contact your Account Manager.

Sincerely,



Reginald E. Brown
Director, Producer Affairs, West

Attachments:

CMS Alert: CMS0761_001.pdf