A Letter from Gail Boudreaux,  
Executive Vice President of External Operations

Blue Cross and Blue Shield of Illinois values its strong working relationships with network physicians and hospitals. As we look ahead to the challenges we will face in 2006 and beyond, we look forward to continually strengthening our provider relationships and working collaboratively with physicians to find solutions to improving the health and wellness of our members.

Blue Cross takes seriously its role as a leader in promoting health and wellness. In fact, it’s one of our corporate goals. As part of our commitment to that goal, we will continue to reward physicians who provide superior service in terms of medical outcomes, and work closely with physicians to design new programs that will further improve the quality of care our members receive.

Working together, through our disease management programs we can identify potential member-specific gaps in care and help close those gaps. If we do that, our members will have the opportunity to receive the extra resources, intervention and attention they need to help improve their health status and quality of life.

Along those lines, we encourage all of our network providers to help improve health care treatment efficiencies by filing claims electronically. Today, more than 80 percent of all claims submitted to Blue Cross are filed electronically. With your help, we know we can improve on that number.

As always, we recommend to all physicians and hospital administrators that they regularly access our Web site at www.bcbsil.com for the most complete and up-to-date information and resource materials, such as reference guides, workshop schedules, medical policy information and our drug formulary.

On behalf of everyone at Blue Cross and Blue Shield of Illinois, I wish you a Happy New Year.
As we reported in the July 2005 Blue Review, on January 20, 2004, the Secretary of Health and Human Services published a Final Rule that adopted the National Provider Identifier (NPI) as the unique identifier for all health care providers. It will replace the different provider identifiers currently assigned and used for each health plan.

Implementation of the NPI will eliminate the need for health care providers to use different identification numbers when conducting standard transactions with multiple health plans. Many health plans, private health insurance issuers and all health care clearinghouses must accept and use NPIs in standard transactions by May 23, 2007.

Although providers are encouraged to apply for the NPI now, you should not begin using the NPI in standard transactions until specific instructions are provided in the future.

You may obtain information about the NPI at www.cms.hhs.gov/hipaa/hipaa2. This site contains a NPI Viewlet, an instructional tool that provides an overview of the NPI, a walk through of the NPI application, as well as live links to the National Plan and Provider Enumeration System (NPPES) Web site, where you can apply for an NPI.

You will be able to apply for your NPI in one of three ways:


2. You may prepare a paper application and send it to the entity that will be assigning the NPI (the Enumerator) on behalf of the Secretary. A copy of the application, including the Enumerator’s mailing address, is available on https://nppes.cms.hhs.gov. You may also call the Enumerator for a copy. The phone number is (800) 465-3203 or TTY (800) 692-2326.

3. With your permission, an organization may submit your application in an electronic file. This could mean that a professional association or perhaps a health care provider who is your employer could submit an electronic file containing your information and the information of other health care providers.

Remember, you may apply for an NPI using only one of the ways described above. Watch the Blue Review for regular updates on the NPI process and dates for implementation.

Managed Care
Web Updates

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. 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 POS/BlueChoice Select product can be found at: www.bcbsil.com/provider/referenceguide.htm. Also listed is the most current product information.
The Blue Cross and Blue Shield of Illinois (BCBSIL) Provider Affairs Education Team is proud to continue the tradition of offering free workshops and seminars to our contracting provider network. Every seminar is evaluated by attendees, whether providers themselves or their office staff. Overall, participants attending our 2005 workshops gave us an overwhelming satisfaction rate of more than 97%, proving there is added value to receiving the information shared first-hand.

In 2006 the Education Team is prepared to build on our past foundation to take our contracting providers to the next level. We will continue to bring new, experienced and specialty educational workshops to you that will maximize your effectiveness and satisfaction in the BCBSIL network. During the new year we plan to offer you more training and learning tools to enhance your usage of electronic media. This allows all of our contracting providers to take advantage of our enhanced programs no matter where they reside.

Seminars we will be hosting promote efficiency through agenda topics that include:

- Out-of-area and local eligibility and benefit verification
- Out-of-area claims processing (BlueCard)
- National Provider Identifier
- Consumer Driven Health Plans
- What’s New at Blue

Make sure to go online at www.bcbsil.com/provider/training.htm to register for our free workshops offered at a location near you, and to view the schedule.

### WORKSHOP SCHEDULE

<table>
<thead>
<tr>
<th>WORKSHOP</th>
<th>DATE</th>
<th>LOCATION</th>
<th>TIME FRAME</th>
</tr>
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<tbody>
<tr>
<td>Experienced Contracting Provider</td>
<td>January 11, 2006</td>
<td>In-house, BCBSIL</td>
<td>Half Day</td>
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<tr>
<td>Experienced Contracting Provider</td>
<td>January 19, 2006</td>
<td>Off-site—Advocate Trinity Hospital, Chicago</td>
<td>Half Day</td>
</tr>
<tr>
<td>Experienced Contracting Provider</td>
<td>February 8, 2006</td>
<td>Off-site —Mercy Hospital and Medical Center, Chicago</td>
<td>Half Day</td>
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<tr>
<td>Managed Care Roundtable</td>
<td>February 15, 2006</td>
<td>In-house, BCBSIL</td>
<td>Half Day</td>
</tr>
<tr>
<td>New Contracting Provider</td>
<td>February 22, 2006</td>
<td>In-house, BCBSIL</td>
<td>Full Day</td>
</tr>
<tr>
<td>Billing Service Workshop</td>
<td>March 29, 2006</td>
<td>In-house, BCBSIL</td>
<td>Half Day</td>
</tr>
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### Rx Over-the-Counter (OTC) Coupon Program

Coupons for 13 over-the-counter (OTC) medications will be available for all members with prescription drug benefits though BCBSIL. This value-added program can be an advantage to those members whose prescription drug benefits do not cover prescription versions of OTC alternatives.

OTC coupons will be available for members through Blue Access® for Members (BAM), our secure member Web site. Through the “Learn More” link on the My Coverage/Rx Drug tab, members can link to Prime Therapeutics’ Web site to download and print these coupons. Members can print two coupons for each OTC available medication. The quantity limit of two is determined by the drug manufacturer. As with any typical coupon program offered by a manufacturer, the life and/or value of the coupon can vary as the program continues. We encourage members to periodically visit the Web site to download additional coupons.

Currently, there are 13 OTC coupons offered for the following conditions:

- Allergies (Claritin and Alavert)
- Cold/sinus (Dimetapp Cold, Robitussin and AAS)
- Heartburn (Zantac 150 and Prilosec OTC)
- Pain (Advil, Children’s Advil)
- Vitamins (Centrum, Centrum Performance, Caltrate and Fibercon)

BCBSIL will continue to expand the number of coupons offered through the program.
In previous Blue Review articles, Blue Cross and Blue Shield of Illinois (BCBSIL) announced its transition to the Centers for Medicare & Medicaid Services (CMS) consolidated Medicare crossover claims process. Under this arrangement, the Coordination of Benefits Contractor (COBC) will crossover supplemental claims used for calculating secondary payment liability.

**COBC Transition Highlights**

- **First Phase:** On November 21, 2005, BCBSIL implemented the first phase of the transition for the Over 65 Consumer Market Supplement product.
- **Second Phase:** The second phase of the transition is tentatively scheduled for February 6, 2006, and will include all “other” Medicare Primary, BCBSIL secondary supplemental products.
- **Medicare Payment Floors:** Medicare Part A and Medicare Part B claims will crossover to BCBSIL only after the claims have left the Medicare payment floor. Example: Electronic claims processed by Medicare on November 21, 2005, were released after a 14-day payment floor (December 5, 2005). Paper claims processed by Medicare on November 21, 2005, were released after a 28-day payment floor (December 26, 2005).
- **Medicare Claims Denied at 100%:** Criteria for determining whether a denial will crossover to BCBSIL is based on the following:
  1. 100% denied claims with additional beneficiary liability will crossover.
  2. 100% denied claims with NO additional beneficiary liability will not crossover.
- **Medicare Claims Paid at 100%:** For supplemental products, Medicare claims paid at 100% with no additional beneficiary liability will not crossover. (Example, laboratory claims subject to the fee schedule with no coinsurance and/or deductible due.) For Medicare claims paid at 100%, we ask that you not submit the claims to BCBSIL.

**Note:** Claims where there is beneficiary liability and a crossover arrangement (member on BCBSIL eligibility files) will automatically crossover from the COBC.

**Communications:** Further information about the consolidation of Medicare crossover claims process can be found in CMS’ Medlearn Matters SE0504 and the July and December 2005 Blue Reviews.

**Note:** CMS has notified supplemental payers that instances will exist whereby a claim may have failed to crossover when data claim errors originating at the Medicare contractor site occur. In these instances, the Medicare contractors will send notification to the providers. Should you receive Medicare notification that your claim has failed to cross over, please take the opportunity to submit the supplemental claim electronically.

If you have any questions or concerns, please contact our EDI Hotline at (312) 653-7954.
New Year’s resolutions: we all make them, and unfortunately, we all break them. But this year, instead of setting the same lofty, unattainable goals for yourself that you failed to achieve last year, why not set your sights on maximizing your medical practice’s potential? Here are five New Year’s resolutions you can make and easily keep in 2006 to increase your profitability and productivity in the years to come:

Resolution #1: We Will Check Eligibility
- RealMed’s web-based all-in-one revenue cycle management solution allows clients to verify patient eligibility either individually or through unlimited-size batch files. With RealMed’s help, your practice can begin the New Year with fewer denials and errors, and more time to focus on what is truly important: your patients.

Resolution #2: We Will Get Claims Out Quicker
- RealMed enables your practice to instantly submit claims for all payers. Real-time claims are processed within seconds of submission, ensuring that you receive the fastest return of remittance and payment possible.

Resolution #3: We Will Submit Clean Claims
- RealMed instantly applies appropriate edits before they go to the payer and affords you the ability to correct and resubmit claims with nothing more than a click of the mouse

Resolution #4: My Practice Will Improve Its Claim Status Management Procedures
- RealMed automatically refreshes claim status daily on most of your pending claims,
- Allows you to sort claims by a variety of criteria and
- Offers complete historical claim detail for proof of timely filing

Resolution #5: I Will Expect the Highest Level of Customer Service from My Clearinghouse
- RealMed has local client account managers who personally take clients through installation, training, and support, and also provides direct access to HelpDesk support representatives who address your concerns as they arise.

For additional suggestions regarding how RealMed can help resolutionize your practice, contact Teresa Luciano at (773) 867-8304, or visit www.realmed.com.

Best of luck with those New Year’s resolutions!
Effective January 1, 2006, Meijer Inc., with approximately 20,000 contracts nationwide, is a new national account. Members are identified by Group Number 72625 and alpha prefix MJE on their ID cards. Non-union employees will be effective in January, and union employee memberships will go into effect April 1, 2006.

Members may choose from four PPO benefit options. One of the PPO options is a high-deductible health plan with a health savings account through Wells Fargo. The account comes with a debit card that members may use to pay for deductibles and any cost sharing expenses at the point of service.

Remember to wait until after receiving your Provider Claims Summary before collecting any deductibles or coinsurance amounts from members.

Please verify eligibility and benefits by using THIN Online or calling (800) 676-2583. Precertification is required for all benefit options except for the Primary Care plan. Please call the number on the back of the member's ID card to obtain precertification. For mental health and substance abuse treatment, call Magellan Behavioral of Michigan at (800) 762-2382.

For more information, please contact our Provider Telecommunications Center (PTC) at (800) 972-8088.
Reminder
Expedite Your Predetermination Requests

Predeterminations can be expedited when you fax them to the dedicated number (217) 698-2144. This fax line is for predetermination requests only. Our expectation is to complete all requests within 72 hours. However, we are experiencing delays because of missing information. Please include the following information on the Provider Review Form when making a predetermination request:
- Group/ID Numbers
- Evaluation/Health History
- CPT/DX Codes
- Provider’s Address and Phone Number
- Office and Therapy Notes
- Check the Predetermination Box

Note: Please do not fax photographs. If we require additional information such as photographs, we will request that you send them by mail.

Provider Review Forms can be found on the BCBSIL Web site at: www.bcbsil.com/provider/forms.htm. Predetermination requests will only be accepted at the (217) 698-2144 fax number. All other requests, reviews and standard written inquiries must be mailed to:

Blue Cross and Blue Shield of Illinois
P.O. Box 805107
Chicago, Illinois 60680-4112

Advanced Practice Nursing (APN) Reimbursement
Blue Cross and Blue Shield of Illinois recently announced the addition of Clinical Nurse Specialists (CNS) and Certified Nurse Practitioners (CNP) to the PPO Network effective November 1, 2005. These nursing specialties are covered under the Advanced Practice Nursing (APN) Act that also includes:
- Certified Registered Nurse Anesthetists (CRNA)
- Certified Nurse Midwives (CNM)

Note: Both are already in the PPO Network.

Services rendered by CNMs now include all services that are within the scope of practice for CNMs. Services are no longer limited to normal delivery.

Reimbursement for these four nursing specialties is based at 85% of the PPO Fee Schedule. For the CNSs and CNPs that perform assist-at-surgery, reimbursement is based at 85% of the 20% of the PPO Fee Schedule.

Fairness In Contracting
In order to comply with Fairness In Contracting Legislation, and in an effort to inform our contracting providers, 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 January 1, 2006, providers are required to submit claims using the current National Codes including new 2006 CPT and HCPCS codes. BCBSIL will not accept claims for dates of service billed with deleted codes. This policy allows BCBSIL to remain HIPAA compliant. To purchase the 2006 Current Procedural Terminology (CPT) and the 2006 Health Care Financing Administration Common Procedure Coding System (HCPCS) manuals, please call the American Medical Association (AMA) at (800) 621-8335.

MEDICAL POLICY DISCLOSURE STATEMENT
When approved, new or revised Medical Policies will be posted in the “Pending Policies” section of the Medical Policy site on the Blue Cross and Blue Shield of Illinois Web site. The new or revised policies will be available on the first day of each month. The specific effective or implementation date will be noted for each policy that is posted.

To review these policies, view the Web site at www.bcbsil.com/provider. Click on “Medical Policies.” After reading the Medical Policies Disclaimer, click on “I Agree.” The policies that are awaiting implementation can be found at the “Pending Policies” selection of the Medical Policy site.

NETWORK NEWS
We are pleased to announce the following network updates:

- Roseland Community Hospital, located 45 W. 111th Street, Chicago, Illinois 60643, has received their JCAHO accreditation. Therefore BCBSIL is reinstating the hospital’s participation back in our PPO and HMO networks, with an effective date of October 12, 2005.

- Methodist Hospital of Chicago has become a PPO network provider effective January 1, 2006. Methodist Hospital is located at 5025 North Paulina, Chicago, Illinois 60640.
Tell us what you think...

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.

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