Hospital Profile Program Wins Distinctively Blue Award

The Blue Cross and Blue Shield Association (BCBSA) recently recognized Blue Cross and Blue Shield of Illinois (BCBSIL) with a 2007 Distinctively Blue Award in the Best Practices category. The Distinctively Blue Awards Program, sponsored by BCBSA, highlights innovative solutions implemented by Blues Plans across the country that help to provide affordable, quality care and services to members with an emphasis on quality outcomes that will ultimately improve our nation’s healthcare delivery system. Entries are judged by an independent peer-review panel to be innovative and transportable to other Blue Cross and Blue Shield Plans.

BCBSIL’s entry, “Motivating Improvements in Hospital Patient Safety” explains how BCBSIL is affecting quality, safety and cost through our Hospital Profile program. Initiated in 2003, the profiles provide hospitals with relevant information to improve quality and patient safety. The scope of the program, which includes all contracted Illinois non-specialty hospitals, incorporates diverse indicators from multiple data sources to analyze hospital performance. These indicators include:

- Structure: Accreditation/Board Certification and Participation in Quality Improvement Initiatives
- Process: Leapfrog and Hospital Quality Alliance Indicators
- Outcomes: Agency for Healthcare Research and Quality Inpatient Quality and Safety Indicators
- Member Survey: Satisfaction, Education and Coordination of Care
- Efficiency: Utilization and Administration and compile an overall performance score.

Providers just like you, who are participating in a Blue Cross and/or Blue Shield contracting provider network, serve 99.5 million Blue members nationwide. We at BCBSIL understand the importance of having your office operate more efficiently, and we are committed to meeting your needs and expectations by providing you a “One-Stop Shop” for provider services.

BCBSIL is your primary source for claims filing for local and out-of-area (BlueCard) members. It also means that you should contact BCBSIL for the following services related to BlueCard members:

- Claim related inquiries
- Customer service
- Provider education
- Dispute resolution
- Electronic eligibility inquiries

For more information, or if you have any questions, please contact our Provider Telecommunications Center (PTC) at 1-800-972-8088.

Continued on page 2
Stay Connected
Visit us Online

Visit Us Online at www.bcbsil.com/provider to access updated information on:

Electronic Commerce
• EDI Transactions/Format Specs
• EFT/ERA
• Clearinghouse Enrollment
• Nebo/NDAS Online
• NPI Filing Requirements
• RealMed
• HIPAA

Credentialing/Contracting
• Receive Credentialing Updates
• Update your demographic information
• Request a Contract Application

Provider Library
• BlueCard Program
• Blue Review archives
• Forms
• BlueChoice and HMO Resources
• Medical Policies
• Refund/Payment Recovery Program
• Provider manuals/reference guides
• PTC Phone Navigation Guides

UM/QI/Medical Management
• Quality Improvement Programs
• HEDIS Reports
• BlueChoice Tiering
• Clinical Quality Indicators

Provider Tools
• Blue Distinction
• Radiology Quality Initiative (RQI) Program
• Obesity Management Tool Kit
• Hospital Comparison Tool
• BlueStar™ Hospital Report
• Clear Claim Connection

Pharmacy Management
• Drug Formulary Changes
• Rx Benefit Management

Workshop Schedule
• Online registration for free workshops

What's New
• Find out about new initiatives

All of this information is just a “click” away. We encourage you to visit our Web site to become familiar with the information available and access the web-based applications you need to better service our members and your patients. If you have suggestions on how we can further improve the Provider Web site, or just want to share your feedback, please email us at bluereview@bcbsil.com.

Impact of program on our customers
Hospitals: Hospitals have responded positively to the Hospital Profile and Blue Star Hospital Report, which has effectively promoted quality and patient safety. Many hospital administrators have expressed interest in the program, opening a dialogue to achieve mutual goals. Illinois hospitals are experiencing lower complication rates, greater participation in Leapfrog reporting and improved administrative efficiency. BCBSIL contracting staff has incorporated profile-related indicators, which provide for financial rewards based upon performance, into many hospital contracts.

Members: The Blue Star Hospital Report summarizes results to help members make more informed health care choices. To assess member perception of hospital care, BCBSIL surveys all members, who are discharged from an urban Illinois hospital. Member satisfaction with Illinois hospitals has remained remarkably high [88%-89% Top Two Box (Excellent and Very Good) responses on a five-point Likert scale each year from 2002 through 2006].

Employers, Healthcare Groups and the Public: This program has been well received by BCBSIL employer groups. The program has also been presented to local and national audiences by invitation.

To view the Blue Star Hospital Report, visit our Web site at www.bcbsil.com/provider and click on Blue Star Hospital Report in the Provider Tools section.

Are you a new provider?... Check out our online Welcome Tutorial!

The Provider Affairs Department is pleased to introduce an online welcome tutorial for new providers. If you are a newly contracted provider with our BCBSIL PPO network, we encourage you to take advantage of the wide range of reference materials available to you online.

The welcome tutorial includes an overview of the following resources:
• Electronic Tools (Online Eligibility, Benefit Verification and Billing)
• BCBSIL Educational Materials
• Access to the Blue Review (our monthly provider newsletter)
• New Provider Workshop Schedule

To take advantage of these educational materials for new providers, visit our BCBSIL Web site at www.bcbsil.com/provider. Click on “Are you a new provider?” to view our welcome tutorial.

You’re Invited... Register online for our November Workshops

<table>
<thead>
<tr>
<th>Workshop</th>
<th>Date</th>
<th>Location</th>
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<tbody>
<tr>
<td>New PPO Provider Workshop</td>
<td>November 8, 2007</td>
<td>In-house - BCBSIL, Chicago, IL</td>
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<tr>
<td>NPI Webinar</td>
<td>November 14 and 15, 2007</td>
<td>Online</td>
</tr>
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</table>

Make sure to go online at www.bcbsil.com/provider/training.htm to view the schedule and register for our workshops offered at a site near you.
We are continuing to work to refine our IVR system to meet your needs. This system uses speech recognition technology and provides you with information on patient eligibility, expanded benefits information, and detailed claim status.

The IVR will ask you a series of questions to obtain the basic information we need including your National Provider Identifier (NPI) and the member’s identification number. All you need to do is speak the answers! Touch-tone (keypad) entry is also available for many prompts.

Advantages of Using IVR
1. The IVR accesses all the same data sources as our Customer Advocate,s but without the wait for the next available agent.
2. There is no limit to the number of queries you can perform in IVR.
3. All inquiries in IVR are documented in our system for future reference.
4. Detailed claim line information and reasons for claim denial are provided.
5. The system is available from 6:00 a.m – 11:30 p.m. Monday through Friday, and from 6:00 a.m. – 3:00 p.m. Saturdays (CST).

Information to Have Ready when Calling
1. Your NPI number (or Blue Cross and Blue Shield provider number)
2. Member’s identification number from their current Blue Cross and Blue Shield ID card
3. Patient’s date of birth
4. For benefits inquiries: Type of service being rendered and place of treatment
5. For claim inquiries: Date of service and billed amount for the entire claim. NOTE: If you have a claim number from your Provider Claim Summary or correspondence, that will help to expedite your call.

What Information Can I Receive from IVR?
Eligibility – current policy effective date, group number, alpha prefix, if pre-existing applies, patient’s first and last name, type of coverage (PPO, HMO, etc.), Primary Care Physician name and effective date (HMO and POS).

Benefits – coverage for a specific benefit provision, deductible, coinsurance, any maximums that apply, out-of-pocket limits, accumulated amounts to date for deductible and out-of-pocket limits, and whether pre-notification is/is not required

Claim Status – amount paid, payee and check number, date paid, any patient share amount applied to deductible and coinsurance, reason for denial, line by line breakdown of payment if requested, and claim number. For claims in process, you will receive the claim receipt date and claim number. The line by line breakdown includes the procedure code, amount billed, amount paid, amount applied to deductible and coinsurance, and any denial reason.

In certain cases, additional information may be required before a payment determination can be made on a claim. This additional information could vary from the very simple to complex, (e.g. diagnosis code, medical record history or reports). BCBSIL makes every effort to ask you only for the specific information we need to adjudicate a claim. When you submit information that does not pertain to what is specifically requested, it increases administrative costs.

Remember: BCBSIL will only request the minimum Protected Health Information (PHI) necessary per the Health Insurance Portability and Accountability Act (HIPAA). Help us save time and paper by only submitting the information that is requested.

Treating Immediate Family Members
= No Claims Submitted

Here is a thought…when a member of your immediate family is ill, what do you do? Many providers treat their family members, typically without obligation for payment. According to the standard BCBSIL member benefit booklet, benefits are not available for services rendered by physicians to their immediate family members.* Therefore, BCBSIL does not expect to receive claims for these services.

Remember: many professional medical organizations advise their membership against treating themselves or family. An immediate family member could be a husband, wife, natural or adoptive parent, child, and sibling, stepparent, stepchild, stepbrother, and stepsister, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, and sister-in-law, grandparent or grandchild, or spouse of grandparent or grandchild. BCBSIL will not make benefit payments on claims submitted for services rendered by or for immediate family members. Should it be determined that a benefit payment has been made in error, BCBSIL will request a refund of the original payment.

*This applies to all of our insured accounts and almost all of our self-insured customers.
The 2007 Consumer Assessment of Health Plans Survey (CAHPS®)** shows that 68% of BCBSIL HMO members gave the HMO high levels of satisfaction. 68% of respondents rated the HMO as 8, 9 or 10 on a 1-10 scale – which is 5 percentage points above the national average of 63%. Providers of care, claims processing and customer service were the predictors of health plan satisfaction.

The response rate was 26% of HMO members surveyed. Below is an overview of the CAHPS results by survey topic:

### 2007 CAHPS Member Satisfaction Results

**Getting Needed Care**
- Ninety-one percent found it always or usually easy to get the care, test or treatment they thought was necessary.
- Seventy-seven percent reported ease in getting an appointment with a specialist.

**Getting Care Quickly**
- Eighty-nine percent usually or always got care as soon as they thought it was needed, when care was needed right away.
- Eighty-seven percent said they usually or always received a health care appointment for routine care as soon as they needed it.

**Customer Service**
- Sixty-one percent of members who sought information about how the health plan works in written materials or on the internet usually or always found the information needed.
- Seventy-eight percent of callers always or usually got the help or information needed when contacting customer service.
- Eighty-nine percent reported always or usually being treated with courtesy and respect by customer service staff.
- Ninety-six percent reported either filling out no forms or found the forms always or usually easy to fill out.

**Claims Processing**
- Eighty-four percent indicated the HMOs usually or always handled their claims quickly.
- Eighty-six percent felt the HMOs usually or always handled their claims correctly.

**Providers and Care**
- Seventy-eight percent rated their personal doctor very highly.
- Seventy-eight percent rated the specialist seen most often very highly.
- Seventy-four percent rated the overall health care they received in the last 12 months very highly.

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**New Account Groups**

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<tr>
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<th>CCC Information Services, Inc.</th>
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<tr>
<td>Effective Date</td>
<td>January 1, 2008</td>
</tr>
</tbody>
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Visit our Web site at [www.bcbsil.com/provider](http://www.bcbsil.com/provider)
2008 Medicare Part D Formulary Change:

- In Mid-September the Prime Therapeutics 2008 Medicare Part D Formulary was approved by the Centers for Medicare and Medicaid Services (CMS). There are significant changes to the 2008 Medicare Part D formulary due to CMS mandated removals and a migration to one standard formulary for all of Prime Therapeutics Plan D Sponsors. The goal for the 2008 Medicare Part D formulary was to develop a formulary that was clinically driven, yet with the lowest net cost possible.
- A copy of the 2008 formulary will be included in the Annual Notice of Change (ANOC) that is sent to all current members of Blue Cross and Blue Shield Medicare Part D programs by October 31, 2007.
- Finally, a copy of the 2008 formulary will also be available on the BCBSIL Web site (www.bcbsil.com) in time for the start of the Medicare Part D annual open enrollment period (November 15, 2007).

Direct Mailing to members regarding upcoming Formulary Changes (CY 2008):

- In early November 2007 all current members of Blue Cross and Blue Shield Medicare Part D programs affected by changes in the 2008 Formulary will receive a Formulary Transition Letter. In this member letter all formulary changes directly affecting the member are clearly identified with a listing of formulary alternatives. The letter also contains additional information on medications that will continue to be covered at the third-tier or specialty drug co-pay levels (or co-insurance) through December 31, 2008, as long as the member remains in their current benefit plan. Members are encouraged to discuss coverage issues with their provider to see if there is a suitable alternative on the 2008 formulary that will provide the same level of therapeutic coverage provided by their current medication regimen.

- Providers can request a coverage determination after December 17, 2007, for your patient’s medication(s) to be continued after January 1, 2008.
- Some members may also receive a Formulary Grandfather Letter. The purpose of the Formulary Grandfather Letter is to inform members that certain medications will be grandfathered through December 31, 2008. These medications are usually single source branded products (i.e. ATACAND) that have been removed from the 2008 formulary. These products will continue to be covered at the third-tier or specialty drug co-pay levels (or co-insurance). Several examples of clinically similar formulary alternatives will be provided in the mailing. The grandfathered medications will not be found on the 2008 formulary list that the member receives in their ANOC.

- In total, approximately 5% of our Blue Cross and Blue Shield Part D members will be adversely affected by the Formulary changes approved by CMS.
- We are asking all providers and pharmacists to work with members in order to make the transition into the 2008 plan year as smooth as possible.

Provider Alert: Prior Authorization required for Erythropoiesis Stimulating Agents (ESAs):

- Emerging safety concerns (thrombosis, cardiovascular events, tumor progression and reduced survival) derived from clinical trials in several cancer and non-cancer populations prompted
How Well Doctors Communicate

- Ninety-three percent reported doctors/providers usually or always explained things in a way they could understand.
- Ninety percent always or usually felt that doctors/providers listened carefully to them.
- Eighty-six percent said that doctors/ providers showed respect for what they had to say.

New Questions Added

In 2007 the following new survey topic questions were added to the survey:

Shared Decision Making

- Ninety-six percent reported that doctors/providers always or usually discussed the pros and cons of each treatment or health care.
- Ninety-four percent reported that doctors/providers asked the patient which choice was right for them.

Plan Information and Costs

- Seventy-nine percent were always or usually able to find out how much the health plan would pay for a service or equipment.
- Sixty-eight percent were always or usually able to find out how much the prescription medicine would cost them.

Summary of High Level Results

- Member satisfaction with the HMOs of BCBSIL is significantly higher than 2005, retaining last year’s increase.
- HMOs of BCBSIL member satisfaction with claims processing has increased significantly since 2003.
- Ratings of personal doctors and specialists have been steadily increasing and are significantly higher than 2003 ratings.

Request More Information

- For online information about the HEDIS Report, visit our provider portal at www.bcbsil.com.
- For information about our HMO Quality Improvement Program, call us at (312) 653-3465.
- To learn more about HEDIS, visit www.ncqa.org and click on Report Cards.

** As part of HEDIS, CAHPS is a survey that reports how members feel about their experience with care and service. Percentages are rounded to the nearest whole number. The CAHPS survey was sent to a random sample of HMO members. Note: HEDIS® is a registered trademark of NCQA. CAHPS® is a registered trademark of the Agency for Healthcare Research and Quality.

Last November, we unveiled our new Provider Finder® Search Tool, located on our Web site at www.bcbsil.com. This redesigned and enhanced tool makes it easier for prospective and existing members to navigate and search for a health care provider.

Increased Performance

Previously, members were able to search for a provider by name, provider type or product. Members will now begin their provider search by first selecting a product, and then searching by provider name or provider type. This change expedites the return of search results by narrowing the search to include only appropriate product information.

Blue Distinction

The designated national Blue Distinction Centers for Bariatric Surgery, Cardiac Care and Transplants will now have a "Blue Distinction Center for..." logo next to each facility’s name in the search results and in the provider detail pages. This logo is a hyperlink to a new screen that provides a Blue Distinction program description, selection criteria and PDF file listing of all nationally designated facilities.

Provider Type Option

Providers and members have reported difficulty deciding which provider type option to use in their searches. Based on this information, we re-labeled the following provider/type options:

<table>
<thead>
<tr>
<th>Old</th>
<th>New</th>
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</thead>
<tbody>
<tr>
<td>Doctor</td>
<td>Doctors &amp; other Health Care Professionals</td>
</tr>
<tr>
<td>Other</td>
<td>Medical Groups &amp; other Medical Facilities</td>
</tr>
</tbody>
</table>

Updated Specialty Names:

Various specialties were renamed to make the site more user-friendly.

<table>
<thead>
<tr>
<th>Old</th>
<th>New</th>
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<tbody>
<tr>
<td>Therapy</td>
<td>Speech Therapy</td>
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<td></td>
<td>Physical Therapy</td>
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<td></td>
<td>Occupational Therapy</td>
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In addition to the above enhancements, we are working on adding the following improvements to the Illinois Provider Finder in 2008:

1. Physician hospital affiliations with hyperlink to hospital detail page
2. Adding NPI numbers to each physician’s detail page
3. Ability to search by Blue Distinction designated specialty centers (i.e. Bariatric, Cardiac, Transplant and Oncology)
4. Show clinic affiliations for PPO providers and physician listings from each clinic’s detail page
5. Displaying a provider’s sub-specialties (i.e. PCP with a Cardiology sub-specialty)

The Provider Finder is an important tool that helps our members find their in-network contracting providers. If you have any suggestions please send them to us via e-mail at bluereview@bcbsil.com.
NPI Corner: Are you aware of these important NPI transition dates?

Current – NPI Adoption phase continues
During this phase, it is imperative for all providers to share their Type 1 and/or Type 2 NPIs with BCBSIL, if they haven’t done so already.

Early September 2007 – NPI-only notification to electronic submitters begins
BCBSIL began sending “Congratulations” postcards to providers who submit claims electronically to notify them to begin submitting NPI-only transactions.

As of September 4, 2007 – NPI Registry available on NPPES Web site
This query-only database on the National Plan and Provider Enumeration System (NPPES) Web site can be used for quick look-ups using provider name or NPI number.

Week of September 10, 2007 – Downloadable data file available on NPPES*
This data file is currently under analysis at BCBSIL. We may eventually use the NPPES downloadable data file to capture or validate NPI information for contracted and non-contracted providers
*It is important to note that this public data file cannot yet be considered to be a solution or substitute for sharing your NPI with BCBSIL.

As of November 14 and 15, 2007 (9 – 11 a.m.) – NPI Webinars for Providers
These online workshops will feature an NPI overview, a live tour of various online resources, and a panel of internal support personnel to answer your questions on NPI. Register today on our Provider Web site (click on the NPI logo, and then select NPI Webinar in the Educational Resources section).

Beginning December 1, 2007
Per the announcement in our October NPI Times, paper claim submitters may begin submitting NPI-only claims, as long as they have shared their NPI with us.

As of December 1, 2007 – NPI Required phase begins
At this stage, providers will be required to use dual identifiers (BCBSIL provider number and NPI) on electronic transactions and paper claims, unless they have been approved to submit NPI-only claims. Claims received with only a BCBSIL provider number after December 1, 2007 will be rejected.

Spring 2008 – NPI-Only phase begins
All providers must use only their NPI on all paper and electronic claims.

For more information throughout the NPI transition, please refer to our NPI Times which is mailed monthly and also posted on our Provider Web site at www.bcbsil.com – just click on the NPI logo.

Over the past 2 years, BCBSIL has been working diligently to communicate all information for the National Provider Identifier (NPI) transition. We greatly appreciate your patience, especially when the communication has repeated itself.

We have continued to make NPI a big focus in our provider communications because unfortunately, not every health care provider has submitted their NPI to BCBSIL. As of December 1, 2007, BCBSIL will be rejecting claims without an NPI. BCBSIL will adhere to this date despite the fact that an October posting on the Centers for Medicare and Medicaid Services (CMS) Web site stated every institutional claim submitted will require an NPI as of January 1, 2008.

Without a doubt, the importance of sharing your NPI with BCBSIL, your electronic trading partners, other health plans and eventually CMS is necessary. Thank you to those providers who have been working with us to ensure a smooth NPI transition. We appreciate your cooperation.

CMS to review its coverage of erythropoiesis stimulating agents (ESAs) for non-renal disease indications. As a consequence of that review, CMS determined that there was sufficient evidence to conclude that ESAs are not reasonable and necessary for beneficiaries with certain clinical conditions, either because of a deleterious effect of the ESA on their underlying diseases or because the underlying disease increases their risk of adverse effects related to ESA use. CMS’s National Coverage Determination, issued July 31, 2007, outlined much more restricted use of these agents (e.g. Hgb level < 10gm/dl at all times during therapy, etc.) than was encountered previously.

• Therefore, in order to comply with these new restrictions, all prescriptions for ARANESP, EPOGEN, and PROCRIT will require a prior authorization starting January 1, 2008.
• Please refer to the CMS-Medicare Web site (www.cms.hhs.gov/medicoverview.asp) for further details on this important CMS change in coverage for these agents.
Your views are important to us, and we would like to know if the Blue Review continues to meet your needs.

- How useful is the information?
- Is this publication easy 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. You are an integral part of BCBSIL’s success as a leader in the health care industry, and we highly value your opinion.