BlueCross BlueShield of Tennessee, Inc. (BCBST) (Applies to all lines of business unless stated otherwise)

CLINICAL

Medical policy update/changes

Full text of the following BCBST medical policy changes can be viewed online under “Upcoming Medical Policies” at http://www.bcbst.com/providers/mpm.shtml.

Effective June 13, 2009

- Rufinamide
- Plerixafor
- Fludarabine
- C1 Esterase Inhibitor
- Capecitabine
- Eltrombopag
- Autologous Chondrocyte Implantation (ACI)
- Osteochondral Autografting (OCG)
- Positional Magnetic Resonance Imaging (MRI)

†A predetermination is encouraged to assure compliance with the Medical Appropriateness criteria found in BCBST’s Medical Policy Manual; otherwise, claims for these services will be subject to retrospective review. Predetermination forms can be found online at <www.bcbst.com/providers/forms/predetermination_form.pdf>.

Note: Effective dates also apply to BlueCare and TennCare Select pending state approval.

New drugs added to commercial specialty pharmacy listing

Effective April 1, 2009, the following drugs have been added to our commercial Specialty Pharmacy drug list. Those requiring prior authorization are identified by a (PA).

Provider-administered via medical benefit:
- Cinryze (PA)
- Mozobil

Self-administered via pharmacy benefit:
- Promacta (PA)
- Mozobil

Reminder: How to identify a BCBST member

Each BlueCross BlueShield of Tennessee member is issued an ID card. These ID cards contain much of the information providers need to submit claims and coordinate patient care.

While BCBST ID cards differ depending on the member’s health care benefit plan, there are some standard elements common to most BCBST ID cards. These are:

- Member name;
- Member ID card (including three-letter alpha prefix);
- Group number (if applicable);
- Health Reimbursement Arrangement (HRA) Plan designation (if applicable);
- Member copayment amount:
  - OV=office visit
  - SPEC=specialist
  - ER=emergency room
  - IPH=inpatient hospital
  - RX=prescription tier
  - V=vision
- Prior authorization toll-free number;
- Mailing address for claims & inquiries
- Behavioral health services telephone number (if applicable);
- Participating provider network; and
- RX Network (if applicable).

If a member presents without his/her ID card, providers should verify health care coverage by calling the Provider Service line, 1-800-924-7141 or logging on to BlueAccess, the secure area on the company Web site, www.bcbst.com.

ADMINISTRATIVE

Reminder: Electronic funds transfer (EFT)

A safe, secure and cost-effective way to receive your payments

EFT provides a method of transferring payments automatically from BCBST’s account to your bank by electronic means without any paper money changing hands. EFT is available for all lines of business including Commercial, BlueCare East and West, TennCare Select, BlueCard, Federal Employee Program (FEP), Medicare Advantage and Preferred Dental.

Sign up today and enjoy benefits such as:

- Increased efficiency
- More secure payment process – less chance for check misplacement
- Earlier receipt of payments than when mailed
- Reduced administrative costs
- Simplified bookkeeping – less paper

To participate in the EFT process, providers must complete the EFT Enrollment Form and return it along with a voided check to:

BlueCross BlueShield of Tennessee
Attn: Provider Network Mgmt – 3TC
801 Pine Street
Chattanooga, Tennessee 37402

The EFT Enrollment Form and Frequently Asked Questions (FAQs) can be found on the Provider page of the company Web site, www.bcbst.com. To access the form and FAQs, choose “Administration” and click on the “Forms” tab. Note: when you begin to receive EFT payments, you will no longer receive a paper remittance advice as this information is made available online for viewing and printing.

We also support and provide the remittance information in the ANSI 835 format which for many providers facilitates automated posting of claims payment information.
BlueCross BlueShield of Tennessee, Inc. (BCBST)  
(Appplies to all lines of business unless stated otherwise)

ADMINISTRATIVE

Reminder: Electronic funds transfer (EFT) (cont’d)

For technical support please contact the eBusiness Service Center at (423) 535-5717 or via e-mail at ecomm_techsupport@bcbst.com. Technical support is available Monday through Friday, from 8 a.m. to 6:30 p.m. (ET).

---

Reminder: Interim bill guidelines

Interim bills are claims filed for a portion of a large inpatient hospital stay. All interim billing submitted by a facility is required in no less than thirty (30)-day increments, with the exception of final billing. Any interim bill, with the exception of that associated with final billing, which contains fewer than thirty (30) days, is subject to denial or recovery.

Interim bills are identified by the last digit of the Type of Bill (TOB) codes found in field locator #4 on the CMS-1450 (UB-04) claim form. When billing electronically, the ANSI-837I (Institutional) format must be used.

Example:

<table>
<thead>
<tr>
<th>If claim is:</th>
<th>use TOB:</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Claim, TOB=2</td>
<td>112 or 122</td>
</tr>
<tr>
<td>Continuing Claim, TOB=3</td>
<td>113 or 123</td>
</tr>
<tr>
<td>Last Claim, TOB=4</td>
<td>114 or 124</td>
</tr>
</tbody>
</table>

---

Reminder: Changes to DME billing guidelines

With the Medical Supplies and Durable Medical Equipment (DME) Amendment effective April 6, 2009, for Blue Networks P and S, providers are encouraged to review the Centers for Medicare & Medicaid (CMS) guidelines for pricing modifier usage. Some codes may require dual pricing modifiers.

Durable medical equipment must be billed using the most appropriate HCPCS code and applicable modifiers in effect for the date of service. Pricing modifiers published on the Durable Medical Equipment, Prosthetic, Orthotic and Supplies (DMPOS) Fee Schedule are required for correct claim adjudication. Providers can view this document on the CIGNA Government Services Web site, www.cignagovernmentservices.com.

Claims billed with an inappropriate code and modifier combination will be returned to the provider for submission of a corrected claim resulting in reimbursement delays.

Note: There are no changes to the guidelines for BlueAdvantage, CoverTN, BlueCare or TennCare Select lines of business.

---

Enhanced support for Web services

Support for BlueAccess and eHealth Services has been enhanced offering providers a more user-friendly experience. The Provider Service Organization has formed a new department geared to responding to your questions regarding benefits, eligibility and claims status obtained on BlueAccess, the secure area of www.bcbs.com. The Provider Outreach Department (POD), in conjunction with eBusiness Solutions, uses the latest in technology to recreate your Web experience allowing for quick resolution to Web inquiries and offering in-depth instruction on navigating the site. Come and take another look at www.bcbs.com. We are surfing with you!

Claims, Eligibility or Benefits Questions?
Please call the Provider Service line at 1-800-924-7141 and ask the customer service representative for the “POD”. You will be connected with a knowledgeable staff member who will help enhance your Web experience.

Technical Support?
Please call the eBusiness Service Center at (423) 535-5717 or e-mail ecomm_techsupport@bcbst.com.

---

State of Tennessee employee health plan now has expanded coverage of tobacco quit aids, tobacco surcharge, and quitter refund

The health plans covering State of Tennessee members are expanding their pharmacy coverage of tobacco quit aids, including some over-the-counter items, with a physician’s prescription.

Effective May 1, 2009, state plan members can obtain certain quit aids for a $5 copay. These covered products include Chantix (varenicline), bupropion, nicotine inhaler, nicotine nasal spray, lozenges, gum, and patches. The plans will cover up to two (2) courses of treatment for a maximum of twelve (12) weeks per treatment, per calendar year for each type of treatment. Additionally, no benefits limits apply to bupropion.

In addition to covering certain quit aids, the plans are allowing members to participate in ongoing tobacco quit classes at work and/or get telephonic coaching from 1-800-QUIT-NOW (1-800-784-8669).

Members who quit on or before July 1, 2009, will not have to pay a new tobacco use surcharge in 2010. Members that use tobacco after July 1, 2009, must pay the $50 monthly surcharge, but they can get a refund if they quit. More information about the new benefits, the surcharge, and the Quitters Refund is available at http://www.state.tn.us/finance/ins/tobacco.html.

---

May 2009

BlueAccess (BlueCross BlueShield of Tennessee’s Medicare Advantage Product)

ADMINISTRATIVE

Retrospective reviews for BlueAdvantage members available online*

Effective May 1, 2009, requests for BlueAdvantage retrospective reviews of non- emergent, elective services may be submitted via the online Web Authorization process located on BlueAccess, the secure area on the company Web site, www.bcbs.com.
BLUEADVANTAGE (BlueCross BlueShield of Tennessee’s Medicare Advantage Product)

ADMINISTRATIVE

Changes to prospective medical necessity reviews*

Effective June 1, 2009, BlueAdvantage will no longer conduct prospective Medical Necessity reviews for:

- Home Health Skilled Nursing visits,
- Home Health Aide visits, or
- Home Health claims‡ with fewer than fourteen (14) therapy visits.

‡ These claims will be subject to a focused, retrospective post claims review similar to Original Medicare.

For any providers who have previously called and have a concern that their claims may be denied due to our original effective date of April 1, 2009, please know that our internal processes have been in place since April 1, therefore, only claims for fourteen (14) or more therapy visits will be denied “INF” (requesting additional information) and subject to medical review.

Note: Advance Determinations continue to be performed upon request.

Verification requirement implemented for provider service line*

Effective April 6, 2009, in accordance with guidelines set forth by the Centers for Medicare & Medicaid (CMS), BlueAdvantage began requiring providers to provide three identification elements when calling the BlueAdvantage Provider Service line, 1-800-841-7434. In addition to correctly providing member information, this new guideline requires providers to verify their:

- PTAN (Provider Transaction Access Number);
- NPI (National Provider Identification); and
- the last 5 digits of their tax ID.

If the provider has never been assigned an NPI, the customer service representative will require two additional data elements for authentication purposes, such as the mailing address reflected on the provider remittance advice and the provider’s master address.

BLUEADVANTAGE (BlueCross BlueShield of Tennessee’s Medicare Advantage Product)

CLINICAL

BlueCare/TennCareSelect

BlueCare’s Depression Disease Management program promotes healthy lifestyle

Through intervention and empowerment, our members with depression are able to adopt healthy behaviors.

BlueCare’s CareSmart Major Depression Disease Management program enables members with depression to access health education in a way they can understand. Depression can often be a co-occurring disorder with other medical conditions, such as diabetes and heart disease that frequently interfere with healthy lifestyle choices. Through education and intervention, CareSmart staff helps members increase their knowledge of depression and self-care management.

Our disease management and outreach staff coordinates with both medical and behavioral health providers to maximize the opportunity to engage members with co-occurring medical conditions through an integrated approach. BlueCare’s mission is to provide a fully integrated health solution that provides education, coaching, support and empowerment for individuals who want or need to assume responsibility for their own health.

Members may self refer to the program by calling the Customer Service number listed on their ID card and providers may refer patients to the program by calling 1-888-416-3025. For more information on the Depression Disease Management program visit our company Web site, www.vshptn.com.

May 2009

ADMINISTRATIVE

Reminder: Prior authorization requirements for physical, occupational, and speech therapy services

VSHP requires prior authorization for physical therapy (PT), occupational therapy (OT), and speech therapy (ST) services rendered to adults regardless of place of service including the nursing home setting. No prior authorization is required for PT, OT, and ST services when billed by the skilled nursing facility.

Providers are reminded prior authorization is not required for PT, OT, and ST services rendered to children under age 21 years, regardless of place of service.

VSHP requesting notification on maternity-related admissions

Help us improve the health and birth outcomes of our BlueCare and TennCareSelect pregnant members

Beginning June 1, 2009, BlueCare and TennCareSelect requests that facilities let us know when a mother delivers her baby or when there are any other maternity-related admissions. Early notification will help us begin discharge planning and/or case management services as needed.

The preferred method for submitting notification is through BlueAccess, the secure area on our company Web sites, www.bcbst.com and www.vshptn.com, which are available 24-hours-a-day. Notification may also be reported by calling the appropriate number below:

BlueCare 1-888-423-0131
TennCareSelect 1-800-711-4104
Reminder: Reporting home health missed shifts

Home health agencies are reminded to notify VSHP Case Management of any missed shifts. When providing home health care for BlueCare and TennCareSelect members the agency should fax a copy of the monthly scheduled shift for hourly skilled and aide services to VSHP Case Management at:

- East Tennessee: 1-800-292-5311
- West Tennessee: 901-544-2490

Additionally, home health agencies are required to notify VSHP Case Management:

- in advance, of any planned missed shift; or
- if a nurse/aide is going to be late and the agency is unable to staff the shift.

Missed shifts should be reported on the VSHP Private Duty Nursing Missed Shift Report provided on the company Web site at <http://www.bcbst.com/providers/forms/PDN_Missed_Shift_doc_2_.pdf>. If the home health agency is not able to staff a shift after normal business hours, the agency should call VSHP NurseLine at one of the following numbers:

- BlueCare: 1-800-468-9736
- TennCareSelect: 1-800-276-1978

Note: It is considered a missed shift if the home health agency is authorized to provide a shift, but no services are provided for that shift. The home health agency should only submit claims for services actually rendered.

Reminder: VSHP high-tech imaging prior authorization

Prior authorization is required for select high-tech imaging procedures for Volunteer State Health Plan (VSHP) members. These procedures include, but are not limited to:

- CT,
- CTA,
- MRI,
- MRA,
- MR Spectroscopy,
- PET Scans, and
- Nuclear Cardiology.

At this time, the following members are exempt from this prior authorization requirement:

- TennCareSelect members
- BlueCare members who qualify as dually-eligible for Medicare and Medicaid (Eligibility class 17 and 77)
- Dually eligible members with Medicare Part A only (no Part B coverage)

To request prior authorization for a high-tech imaging services for VSHP members, call MedSolutions at 877-791-4101.

*These changes will be included in the appropriate 2Q 2009 provider administration manual update. Until then, please use this communication to update your provider administration manuals.

BlueCross BlueShield of Tennessee offices will be closed May 25, 2009 in observance of Memorial Day