

# PROVIDER BULLETIN

## PROVIDER INFORMATION



November 7, 2017

### **Prior-Authorization Requirements for New Medicare Advantage Prescription Drug Products in 2018**

Blue Cross and Blue Shield of Minnesota (Blue Cross) recently introduced two new Medicare Advantage Prescription Drug (MAPD) PPO plans, available for the 2018 plan year. These MAPD plans are managed care Medicare products, which means that services under these plans will require more clinical review than our current Medicare plans, including new prior-authorization and notification requirements for outpatient and inpatient services.

Blue Cross will publish a list of prior-authorization/notification requirements specifically for these new plans. The list will be available in mid-December. To view the list:

1. Access the 'Provider Section' of the Blue Cross website at [providers.bluecrossmn.com](http://providers.bluecrossmn.com)
2. Under 'Tools and Resources' select 'Medical Policy' then acknowledge the Acceptance Statement.
3. Click on the '+' next to 'Utilization Management' and under the 'Pre-certification/Pre-authorization/Notification Lists' select the 'Medicare Advantage (PPO) Prior-Auth/Notification List.'

#### **Prior Authorization**

Beginning with January 1, 2018 dates of service, prior authorization (PA) requirements will be enforced, and claims will process accordingly. For MAPD members, only the services on the MAPD Prior-Authorization/Notification List require PA. However, an MAPD member, their personal representative, or any provider that furnishes, or intends to furnish services to a MAPD member may also request a standard organization determination by filing a request with Blue Cross. (See Provider Bulletin P19-14, *Discontinuation of the Advance Beneficiary Notices of Non-Coverage (ABN)* dated July 14, 2014).

When a PA is required for a service, procedure or item, the provider must submit the clinical information in advance to Blue Cross. The Utilization Management team will review the clinical information and determine if the request meets medical necessity criteria based on current medical policy, accepted standards of care and CMS guidelines. The PA must be completed before the service is rendered.

Also, all planned admissions will require PA. Blue Cross will issue notification of approved length of stay for admission. Concurrent review must be requested by the provider for authorization if the member's stay exceed the approved days.

**If a provider does not obtain a required PA for an MAPD subscriber before rendering services, Blue Cross will deny claims as provider liability for lack of a PA.** For services that have been denied for lack of PA, appeals can be submitted after the service was rendered and within the 60-day requirement. Blue Cross will review the medical records submitted with the appeal to determine the medical necessity of the service, based on current Medical Policy and accepted standards of care.

If the medical records support medical necessity of the service, the denial will be overturned and the claim will be authorized for payment, subject to the member's contract benefits. If the medical records do not support medical necessity, the denial will remain but the denial reason will be changed to "not medically necessary" and remain as provider liability.

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## **Notification Enforcement**

Blue Cross will begin enforcing the existing requirement of admission notification for MAPD subscribers for emergent inpatient admission dates on January 1, 2018. Blue Cross requires that admission notifications be submitted within 24 hours or on the next business day following a weekend or holiday. If an admission notification is not submitted within this timeframe, the inpatient facility claim will be administratively denied for lack of notification. Claims for emergent inpatient stays that are administratively denied for lack of an admission notification cannot be appealed for medical necessity.

Note: Outpatient observation stays do not require PA or notification. The 24-hour notification period for an emergent admission following observation hours begins upon the actual admission.

## **Use of GY Modifier**

Blue Cross also wants to remind you that the rules for submitting upgrades to Durable Medical Equipment apply to the new MAPD plans, including the use of a GY modifier. For more information on these rules, see Provider Bulletin P37-15, *Billing DME Upgrades for Platinum Blue Subscribers*, originally published on September 17, 2015.

More details about the MAPD products will be available in mid-December at [bluecrossmn.com](http://bluecrossmn.com).

## **Questions?**

If you have questions, please contact provider services at **(651) 662-5200** or **1-800-262-0820**.