

A monthly publication for participating Medica and SelectCare™ hospitals, facilities and ancillary providers

April 2002

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Medica Establishes New Leadership

John Buck Selected as New Board Chair, Interim CEO

John Buck has been elected by its board of directors to serve as chairman of the Medica board, filling the vacancy created by the resignation of Ted Deikel. Buck joined the Medica board as vice chairman in August 2001. In a separate action, Jane Rollinson, president and chief executive officer (CEO) of Medica, has left the organization. At the board's request, Buck has also agreed to serve as interim CEO. Rollinson came to Medica as president in March 2001 and was appointed CEO last August. The board expressed appreciation to Rollinson for her leadership through Medica's separation from Allina and transition to an independent health plan.

As interim CEO, Buck will work closely with two current Medica executives, who will oversee day-to-day operations. David Tilford, formerly senior vice president of business operations, has been appointed chief operating officer, and Aaron Reynolds, formerly chief financial officer, has been appointed chief administrative officer.

John Buck is an original member of the Medica board that was established last August to lead Medica through the separation from Allina Health System, and to re-establish Medica as an independent health plan. As vice chairman of the board and chairman of the finance committee, Buck has played a leading role in these efforts. He was instrumental in Medica's administrative cost reduction initiatives, which reduced Medica's administrative cost by more than \$30 million. He has also helped Medica establish a more streamlined and responsive corporate structure.

"My goal is to build on Medica's strengths," said Buck. "After nine years on the board of Blue Cross and Blue Shield, including a term as chairman of that board, I am very familiar with the health care issues and challenges in this community." In addition, Buck brings management expertise shaped by more than 30 years of leadership in some of Minnesota's largest companies, including Honeywell, Graco and Fingerhut — as well as the experience of building his own small business.

As chairman, Buck will be leading a board that consists of 10 additional directors who have distinguished themselves in health care, business, government and community service. Three of the 10 members are physicians. Buck was elected to serve out the current term as chairman until the yearly election of officers at the annual meeting in late spring.

Route to:

- ___ **Physicians**
- ___ **Administrator**
- ___ **Office Manager**
- ___ **Claims/Coding Staff**
- ___ **Other:**

- Medica's Provider Service Center is available at 952-992-2232 or toll-free at 1-800-458-5512, if calling from outside the Twin Cities metro area.
- Provider materials may be requested through Medica's Provider Literature Request Line at 952-992-2355 or toll-free at 1-800-458-5512, option 8, ext. 2-2355.
- Provider information may be accessed at www.medica.com in the "Provider Resources" section.

Medica to Host Administrative Forums in Spring 2002

Medica invites facility/clinic personnel who deal with Medica on administrative issues to an open information exchange and dialogue at Medica’s upcoming administrative forums to learn what is new at Medica since its separation from Allina Health System. In addition, representatives from Medica’s Operations, Medical Affairs, and Network Management (provider contracting) departments will be presenting information on reimbursement policies and trends and the results of Medica’s recent focus on operational improvements. Feedback on whether Medica is on track will be welcomed. Immediately following each forum will be an optional 30-minute presentation by Medica coding consultants to address recent coding updates and frequently asked questions. Medica representatives will also be on hand during the forum, and after, to address individual questions.

Anyone can attend, but these forums are designed specifically for clinic administrators, billing office managers, and revenue reconciliation managers. The presentations will be the same at all four locations, but individual input will make each forum unique, so one or all of the forums may be attended. The schedule below indicates times and locations. Light refreshments and beverages will be served.

Thursday, May 2
Medica – Conference Room 303
5601 Smetana Drive – Minnetonka
9-10:30 a.m. + 10:30-11 a.m. for coding, optional
(Call Jason at 952-992-2222 for directions.)

Wednesday, June 5
Ramada Inn
2115 South 6th Street – Brainerd
1-2:30 p.m. + 2:30-3 p.m. for coding, optional
(Call Jill/Stephanie at 218-829-1441 for directions.)

Thursday, May 23
Douglas County Hospital – Education Room, Lower Level
111 17th Ave. East – Alexandria
1-2:30 p.m. + 2:30-3 p.m. for coding, optional
(Call Jodi at 320-762-1511 for directions.)

Thursday, June 27
Woodwinds Health Campus – Room A, Resource Center
1925 Woodwinds Dr. – Woodbury
9:30-11 a.m. + 11-11:30 a.m. for coding, optional
(Call Charles at 651-232-0907 for directions.)

Medica is requesting RSVPs but walk-ins will also be welcome. Knowing how many people from each facility will be in attendance will help Medica plan for food and materials. To RSVP, administrators and managers may use the form below or look for their invitation and reply postcard in the mail. Questions about the forums may be directed to Jodi Campbell at Medica at 952-992-2961. Again, walk-ins are always welcome.

RSVP – Fax this form to Medica at: 952-992-8090

Yes, we will be attending the forum(s)!

Facility name: _____

Number of people attending:

Four horizontal lines for entering the number of people attending.

Location:

- Four checkboxes with corresponding dates and locations: May 2 Minnetonka, May 23 Alexandria, June 5 Brainerd, June 27 Woodbury.

Topics/questions I would like addressed at the forums: _____

- Three bullet points providing contact information for Medica's Provider Service Center, literature request line, and website.

Effective May 1, 2002:

Medica to Update Professional and Technical Component Reimbursement

Medica will update its professional (modifier –26) and technical (modifier –TC) component, or “pro/tech,” reimbursement percentage splits for all Medica fee schedules (as applicable) beginning with May 1, 2002, dates of service. The change will be modeled after the Centers for Medicare and Medicaid Services’ (CMS) pro/tech splits. This will affect reimbursement for relative value unit (RVU)-based procedures when paid using a –TC or –26 modifier. The resulting fee maximums will now be more closely aligned with CMS reimbursement methodology. Providers who have any questions regarding this change should contact their Medica contract manager.

Medica, UBH Agree to New Contract

Medica and United Behavioral Health (UBH) announced that UBH will continue providing behavioral health benefit services to Medica members through 2004, extending the current relationship that was to end March 31, 2002. Under the new agreement, UBH will be providing administrative services and Medica will assume all claims risk. Medica also plans to further review the fee schedule for behavioral health services.

In anticipation of the March 31 contract termination with UBH, Medica undertook an extensive request-for-proposal (RFP) process to identify the best partner for the delivery of behavioral health services to members. According to William Parham, III, MD, Medica’s chief medical officer, “after reviewing all the proposals we received, UBH was the clear choice. For the last nine years, UBH has arranged for the provision of mental health and substance abuse services for Medica’s members. Our new relationship with UBH will allow us to build on this tradition of dedicated, high-quality service, and strengthen our services for the future.”

In addition, Medica announced that it has voluntarily agreed to participate in the Administrative Review Committee — a behavioral health appeals process that was established in 2001 by an agreement between the Attorney General’s office and Blue Cross and Blue Shield of Minnesota. Medica’s participation was effective March 11, 2002.

Update on Large Employer Groups Enrolling With Medica During First Quarter 2002

Since January 1, 2002, some of the larger “key” groups to newly enroll with Medica are Wagner Spray Tech with 675 members, enrolled effective February 1, and Water Gremlin with more than 450 members, enrolled effective March 1. In addition, St. Cloud-based New Flyer USA has renewed its enrollment of nearly 1,800 members with Medica, while both Mille Lacs Band of Ojibwe and EcoWater Systems — each with more than 1,000 members — have also renewed with Medica.

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- Provider information may be accessed at www.medica.com in the “Provider Resources” section.

Prime Solution Option Name Changes

Medica's Center for Healthy Aging wants to alert Medica providers that one of the two option names under the Medicare product Medica Prime Solution™ has changed. Prime Solution "Extended Basic" has been changed to Prime Solution "Enhanced" due to concerns that the previous name could potentially cause confusion, since it is so similar to the names of Medi-Gap and Medicare Select plans.

Note: Only the name has changed, while the coverage remains exactly the same. Prime Solution Enhanced is the option with a \$107 per month premium (this is the option without copayments).

Medica is sending all affected members updated ID cards in April 2002 to reflect this change. Under the Prime Solution product, members can choose between the Basic and Enhanced options. The benefits under both options are identical, with the differences being that Enhanced has a slightly higher monthly premium and copayments are eliminated for most services, such as physician office visits (coinsurance amounts may still apply for some services).

An updated Medicare product grid should be available from Medica later in April. Providers may call the Provider Literature Request Line to request copies.

Allina Self-Insured Name Changes to Medica Self-Insured

Medica continues to work on finalizing the details of its transition into an independent health plan separate from Allina Health System. One of these details is changing the name of its legal entity Allina Self-Insured (ASI) to Medica Self-Insured (MSI). ASI already does business as MSI (and as SelectCare and LaborCare), so the MSI name may already be familiar to Medica and SelectCare providers.

Since this is only a change in the *name* of the legal entity, not a change in the legal entity or the contracting entity, contract amendments should not be necessary except in some cases to clarify that the contractual relationship covers all or only part of the MSI legal entity. Providers will start seeing the MSI name appearing on various documents and in communications as early as this spring.

New Handouts Updated for Medica Points of Contact

Medica has updated its two handouts titled "Medica Points of Contact for Providers" and "Medica Points of Contact for Members," which indicate either Medica contact points for providers to use or contact points to which Medica providers can refer Medica members and SelectCare™ enrollees. One of each handout was included with this edition of *Link*, and these should replace the version previously mailed with the January 2002 *Link*.

There is also a third handout titled "Medica Mailing Addresses for Claims" that includes a full list of claims addresses for submitting paper claims. This handout includes Medica, SelectCare, Delta Dental and United Behavioral Health claims addresses as well as information on late claims and adjustments. This third handout — as well as additional copies of the other two handouts — is available to providers upon request through Medica's Provider Literature Request Line.

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Medical Policy Manual Updates

Medica's Medical Policy Manual is updated on a regular basis. For the current version of utilization management policies, clinical guidelines or medical technology policies, providers may visit the "Provider Resources" section on the Web site www.medica.com, where the full text can be downloaded. For paper copies of the documents, including updates to the table of contents and index, providers may call Medica's Provider Literature Request Line at 952-992-2355 or toll-free at 1-800-458-5512, option 8, ext. 2-2355, if calling from outside the Twin Cities metro area.

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Effective May 1, 2002:

Medica Makes Benefit Determination Regarding Radiofrequency Ablation for Varicose Veins and Chronic Venous Insufficiency

The following benefit determination is effective beginning with May 1, 2002, dates of service. It applies to all Medica products including government products unless Medicare and/or Medicaid policies require different coverage. The complete text of the medical technology policy that applies to the following benefit determination will be available on the www.medica.com Web site in the “Provider Resources” section on May 1, 2002.

Radiofrequency ablation (RFA) for varicose veins and chronic venous insufficiency (VNUS[®] Closure[®] System) is considered *investigative* and therefore not a covered benefit. RFA, also known as endovascular occlusion, is a treatment for symptomatic varicose veins that involves delivery of controlled radiofrequency (RF) energy through a catheter inserted into the affected vein. The heat generated by the RF energy causes the vein to contract and become occluded. The treatment is intended as a less-invasive alternative to standard surgery for symptomatic varicosities of the greater saphenous vein (GSV). However, evidence does not permit conclusions regarding its effect on health outcome.

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SelectCare Payer Grid Updated Monthly; Available by E-mail, Internet

Although SelectCare providers should first check the back of the enrollee's ID card in order to verify who the payer is, providers may also request a copy of a comprehensive SelectCare payer/employer grid that lists all the employer groups and payers for whom SelectCare reprices claims. This grid is helpful in cases where the payer is not known.

To see this grid, SelectCare providers may visit www.medica.com in the "Provider Resources" section, under "SelectCare Provider Administrative Manual," in chapter 3. Otherwise, to get a copy of this grid, providers may call Medica's Provider Literature Request Line. Providers can leave a message stating that they would like the SelectCare payer/employer grid sent, and the message should include their name, office or facility name and address, phone number, and e-mail address (if wanting the grid electronically). Providers should also indicate whether they would like to be added to a monthly distribution list to receive a current payer/employer grid every month since it is updated monthly.

In addition to the SelectCare payer/employer grid, United HealthCare (UHC) employer group listings are also available. UHC group listings, updated quarterly, show all UHC groups that access the SelectCare network, and listings are available sorted by group name or group number. To see this list, providers may call Medica's Provider Literature Request Line for copies or view it online on www.medica.com in the "Provider Resources" section, under "SelectCare Provider Administrative Manual," in chapter 3. UHC listings are not available by e-mail.

Note: Both the UHC employer group listings and the SelectCare payer/employer grid should be used as reference tools and are not meant to replace the SelectCare enrollee's ID card. All information needed to submit SelectCare claims is included on the ID card.

If providers have other questions about a payer, SelectCare Provider Service can help. SelectCare Provider Service, part of Medica's Provider Service Center, is available at 952-992-2500 or toll-free at 1-800-858-9060, for those calling from outside the Twin Cities metro area.

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General Information

Medica Prime Solution™ and SelectCare™ are trademarks of Medica Health Plans. VNUS® and Closure® are registered trademarks of Vnus Medical Technologies, Inc. CPT® is a registered trademark of the American Medical Association.

Resource Box		
Coding Questions	For coding questions related to Medica claims.	E-mail: coding.questions@medica.com Fax: 952-992-2504 (for providers that do not have e-mail access)
Provider Service Center	Responds to questions from Medica providers.	952-992-2232 or 1-800-458-5512
SelectCare Provider Service	Part of Medica's Provider Service Center Responds to questions from SelectCare providers.	952-992-2500 or 1-800-858-9060
Provider Literature Request Line	Ordering provider directories, provider communications, referral forms, formularies, SelectCare employer group listings, administrative manuals, chart stickers, adjustment request forms, late claim appeal forms, practitioner change forms and other <i>printed</i> materials.	952-992-2355 or 1-800-458-5512, option 8, ext.2-2355
World Wide Web	Internet contains important resources such as Medica's Provider Administrative Manual, SelectCare Provider Administrative Manual, medical policies, clinical guidelines, credentialing information, <i>Connections</i> and <i>Link</i> bulletins, and the Medica formulary.	www.medica.com in the "Provider Resources" section
Fraud Hotline	Confidential phone line to report suspected fraud.	952-992-2237 or 1-866-821-1331

Link is intended for physicians, health care practitioners and staffs of Medica and SelectCare™ network hospitals, surgical centers, skilled-nursing facilities (SNFs), labs, transportation providers, and the following ancillary providers: dialysis centers, home infusion (IV) therapy, hospice, home health care, durable medical equipment (DME), and orthotics/prosthetics (O&P).

Medica's Physician Leadership:

Charles Fazio, MD, Vice President and Medical Director for Quality and Care Management

Ted Loftness, MD, Vice President and Medical Director for Provider Relations

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