



# PARTNERS *in* CARE

Vermont Managed Care  
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We encourage our readers to call or write us with your feedback about our newsletter. Contact Roberta Mitchell at 847-2528 or email to: roberta.mitchell@vtmednet.org

## VMC Board of Directors – A Look from the Past Into the Future

Approximately 15 months ago the VMC Board of Directors developed a vision statement for VMC to sustain and enhance our market value to payers and providers by

- enhancing the clinical effectiveness of VMC physicians and hospitals through collaborative care management initiatives within the VMC network in conjunction with our partner organizations;
- improving the health of the communities we serve through a commitment to investing in early detection and treatment of preventable and chronic diseases;
- expanding care management strategies to additional diagnoses and conditions that are amenable to reduction in variation to help facilitate an improvement in the quality of care; and
- providing fair network compensation through reasonable and low burden administrative policies and procedures.

In keeping with this vision, the VMC Board of Directors met in mid-April to examine VMC’s long-term goals and capabilities. The Board explored how VMC can maintain and expand its membership base in the face of market pressures to reduce benefits for employees. The Board concluded that VMC needs to work with payers to develop innovative contracting approaches for fee-for-service business in addition to VMC’s existing capitated products. As we identify opportunities in these areas, we will be ready to respond effectively to changing market demands while continuing to meet the needs of our providers and patients.

## VMC Welcomes Our New Board Members

In January 2004, VMC sent out requests to community-based primary care and specialty care physicians to solicit their nominations to the VMC Board of Directors. The Board had two vacant PCP seats and one specialty seat, all holding four-year terms. The following physicians were nominated and elected to the VMC Board of Directors by their colleagues. All VMC Board members are also members of either the VMC Finance or Care Management Committees.

Please join us in welcoming the following physicians to their new appointments:

Paul J. Reiss, MD  
Evergreen Family Health  
VMC Board of Directors  
VMC Care Management Committee

PM Costello, MD  
Essex Pediatrics  
VMC Board of Directors  
VMC Care Management Committee

Paul S. Unger, MD (re-elected)  
Vermont Center for Cancer Medicine  
VMC Board of Directors  
VMC Finance Committee

## Thanks to the following newsletter contributors!

Terry Collette, Jim Duncan,  
Roberta Mitchell, Kevin O’Neal,  
Martita Giard, Amy Bannister,  
Cliff Frank, Leah Fullem

# It's That Time Again!

Its that time again! Time to update the VMC Provider Manual with all the recent changes that have taken place. The VMC Provider Manual was distributed during the final week of April. As with past updates, the process for bringing your VMC Provider Manual up to speed will be easy and painless. Simply follow the instructions included in your packet, and your VMC Provider Manual will reflect the latest in logistical and administrative information pertaining to VMC and its contracted health plans.

## The following is a list of changes:

- Updated Network statistics
- Updated listing of VMC Board of Directors, Care Management and Finance Committees of the Board
- Updated VMC Phone List, Organizational Chart and Job Descriptions
- Updated VMC Care Coordinator's Geographic Assignments
- Updated Utilization Management and Credentialing Plans
- Updated Care Management, Credentialing, and Network Policies
- Updated "Payer Matrices" covering all recent logistical changes with TVHP and MVP
- Updated Fletcher Allen Medical Health Plan Coverage information
- Updated MVP Preventive Care Guidelines
- Updated TVHP Referral and Prior Authorization guide

# Chiropractic and Mental Health Benefits

A summary of Chiropractic and Mental Health Benefits are listed below. Please note that VMC does not manage the mental health benefit for TVHP, MVP and FAP, nor do we manage the chiropractic benefit for TVHP or MVP. We ask you not to submit referrals to us for these benefits. Benefit details for chiropractic and mental health benefits are also available in your VMC Provider Manual (Section 4 Payer Matrices) or online through [www.vermontmanagedcare.org](http://www.vermontmanagedcare.org).

## TVHP

### Chiropractic

Twelve (12) chiropractic visits are allowed in one calendar year without an approval by TVHP. Prior approval from TVHP will be required for the 13th visit forward. (For managed care members, a referral form from the member's primary care physician is not required.) Completed forms should either be faxed to 802-371-3491 or mailed to BCBSVT/TVHP, PO Box 186, Montpelier, VT 05601.

### Mental Health

All mental health services must be prior-authorized by Magellan Behavioral Care at 1-800-395-1356.

## MVP HMO

### Chiropractic

Provide member with a written script.

### Mental Health

All mental health services must be prior-authorized by PrimariLink at 1-800-320-5895.

## MVP ASO/SELECT CARE

### Chiropractic

Benefit depends on specific employer-designed product. Plan verification can be obtained by calling MVP at 800-229-5851 x25 or via the MVP web site at

[www.mvphealthcare.com](http://www.mvphealthcare.com). If benefit under plan, chiropractic services require a prescription from PCP.

## Mental Health

PCP referrals are no longer required for any MVP ASO/Select Care groups. Prior-authorization is required for most groups. Call number listed on the back of members ID card. If card not available, please contact MVP's Mental Health unit at 1-800-777-4793 x2002 for guidance.

## MVP PPO

### Chiropractic

No script necessary. Eight (8) visits per calendar year with no prior approval. Treatment plan and prior approval beyond eight (8) visits to be submitted to Landmark. Member must use MVP In-Network Providers. Benefit verification can be obtained by calling MVP at 888-687-6277 or via the MVP web site at [www.mvphealthcare.com](http://www.mvphealthcare.com).

### Mental Health

All mental health services must be prior-authorized by PrimariLink at 1-800-320-5895.

## FAHC Preferred and Preferred Plus Plans

### Chiropractic

12 visits per calendar year benefit with \$40 per visit limit.

### Mental Health

Prior-authorize with Cigna Behavioral Health at 1-800-554-6931.

## FAHC Retirees Under Age 65 and Age 65 and Older Plans

### Mental Health

Call VMC at 802-847-4862 or 866-582-6836.

## VMC Credentials Committee

Vermont Managed Care would like to add a primary care provider to the VMC Credentials Committee. If you are a primary care provider, contracted with VMC for all lines of business, and are interested in serving on the VMC Credentials Committee please contact Terry Collette at 847-8199. The committee meets once a month on Friday mornings from 7:45 am to 9:00 am.

## VMC Reimbursement Changes for 2005

Annually, VMC reviews its reimbursement schedule to make changes for the following year. We will once again begin this process in late summer for a targeted January 1, 2005 implementation date. We encourage our providers to notify us of any reimbursement issues you would like us to consider. Please forward your requests in writing by July 31, 2004 for consideration. You may mail your requests to the attention of Martita Giard at the address below or email Martita at [martita.giard@vtmednet.org](mailto:martita.giard@vtmednet.org).

Martita Giard,  
Director of Network Development  
& Provider Relations  
Vermont Managed Care  
PO Box 1150  
Burlington, VT 05402-1150

## VMC Employee Spotlight

### Credentialing

In this issue of the VMC Employee spotlight we would like to introduce you to the Credentialing Department. Terry Collette, CPCS, Credentialing Supervisor and Dona Marcotte, Credentialing Coordinator staff the department.

The Credentialing Department is responsible for performing all credentialing and re-credentialing functions for any provider eligible for VMC Network participation, including all FAHC providers. VMC obtains credentialing and re-credentialing information through delegated agreements it holds with Northwestern Medical Center, Porter Hospital and Copley Hospital. Delegation is designed to streamline this process for providers; if a provider holds privileges at one of these hospitals and is part of that local PHO, VMC can use the credentialing and re-credentialing information obtained from that hospital to expedite the provider's enrollment with VMC's contracted Managed Care Payers. This must be done in compliance with the strict guidelines set forth by NCQA (The National Committee for Quality Assurance), the State of Vermont Rule 10, MVP and TVHP. This requires that

education, training, licensure, malpractice history, work history, board certification status and Medicare/Medicaid sanction activity be verified, then reviewed by the VMC Credentials Committee.

The Credentials Committee is composed of Network physicians and VMC staff who meet monthly to review all the information listed above and, if needed, to pursue further investigation to act on a provider's application for VMC Network participation.

You may contact either Terry or Dona at the numbers listed below.

Terry Collette	802-847-8199
Dona Marcotte	802-847-6254
Confidential fax	802-847-3427



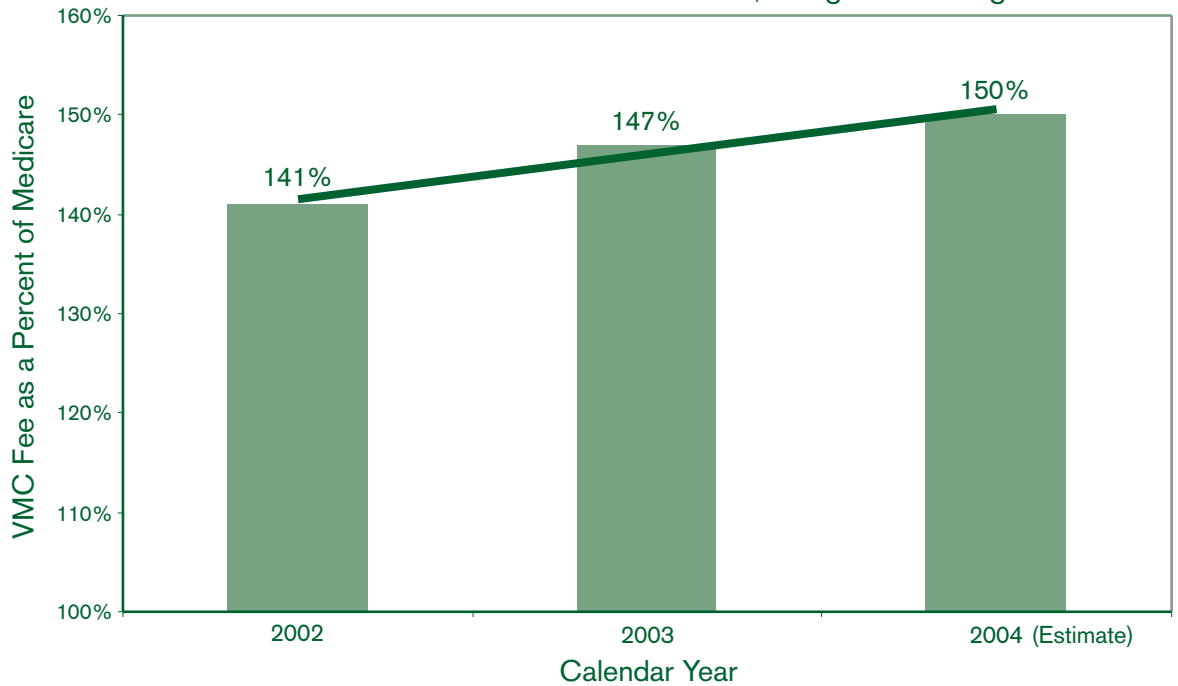
*Dona Marcotte and Terry Collette.*

# A Historical Financial Review

VMC will begin the withhold reconciliation process in May for calendar year 2003. This process will be completed by the end of July at which time checks will be mailed to VMC network providers and facilities who are eligible for a return. As we prepare for this reconciliation, we would like to provide a historical review of the VMC professional reimbursement and withhold return as well as a review of where our network providers have utilized our medical dollars.

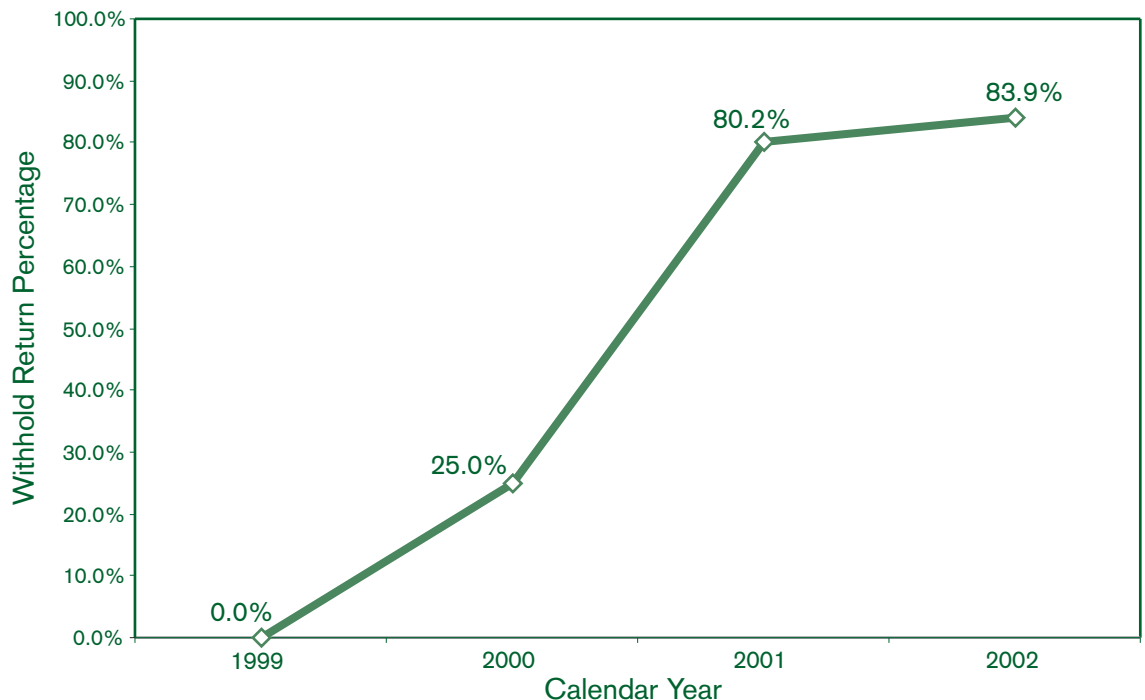
## VMC Professional Reimbursement 2002-2004

VMC Fee as a Percent of Medicare, Weighted Average



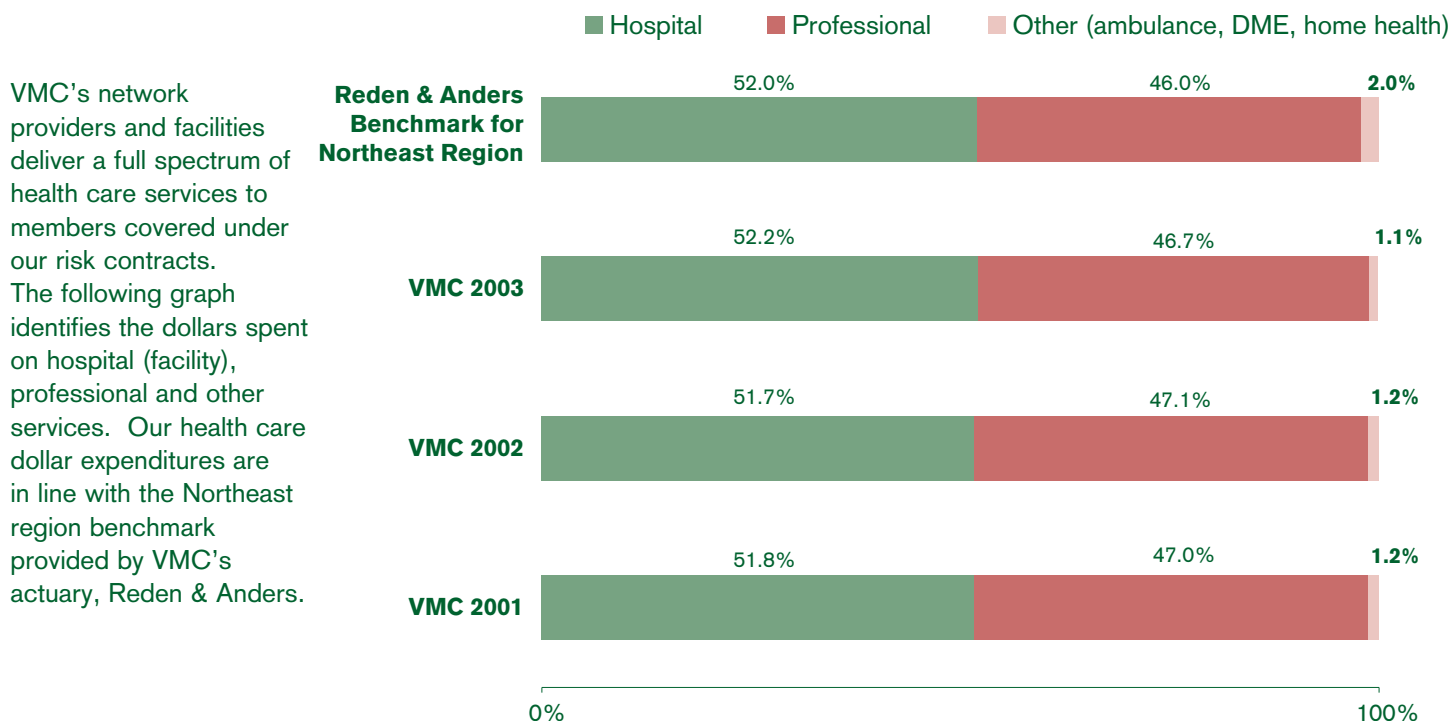
VMC has made every effort to support our provider network by increasing our reimbursement terms. This chart illustrates a weighted average increase of the VMC fee as a percent of Medicare, from 141% in 2002 to 150% in 2004.

## VMC Withhold Return Percentage 1999-2003



The following graph shows VMC's steady increase of withhold return from 0% in 1999 to 83.9% in 2002. Although it is still too early to determine the withhold return rate for 2003, we are hopeful that it will be consistent with the 2001 and 2002 return levels.

## Breakdown of VMC Medical Expense by Type



The trends presented in these graphs are a reflection of the successful efforts of the entire network. Our continued success depends largely on everyone's involvement in the health care delivery system to ensure that the members you care for receive the most appropriate care. Your attention to this over the past few years has provided us with the success we have today. We thank you and recognize your efforts.

## TVHP Changes

Changes pertaining to the definition of an in-network provider and to the form and procedure for written referrals and prior approvals are outlined below. These changes went into effect in March 2004.

- For VMC providers, TVHP “in-network” is now defined as any service being rendered by a TVHP provider. You are no longer limited to referring patients within the VMC network, and may now use any of the TVHP providers in the Rutland or Central Vermont PHO, Hitchcock Alliance or any other participating TVHP provider.
- There is now one TVHP form that combines both referrals and prior approvals. The form may be used to submit a referral or prior approval for a patient. For VMC providers please fax the form to VMC at 847-6213. As before, PCP’s must notify the specialists to whom they are sending a

patient for specialty services, as the PCP is responsible for coordinating the member’s care.

- If the procedure you will be performing does not appear on the prior approval list and will be performed by any provider other than the member’s Primary Care Physician, a paper referral must be submitted.
- Providers and members no longer receive confirmation of the referral. The provider can assume that the claim will process automatically without delay.
- Written confirmation of prior approvals are still issued to the provider and patient.

If you did not receive the mailing please contact VMC Provider Relations at 1-800-639-3881.

## Urgent Care & Walk-In Care Centers

*(Referral Update)*

### MVP

Effective immediately, referrals are no longer necessary for MVP members who receive services from an in-network urgent care or walk-in care center.

MVP requires that urgent care & walk-in care centers provide the following services on behalf of MVP members:

- send reports back to the patient’s PCP within 24 hours;
- send patients for follow up care back to their PCP or to a participating MVP physician or facility; and
- utilize participating MVP laboratory and radiology providers.

### TVHP

Referrals are required from the member’s primary care physician to access care at urgent care or walk-in care centers.

## NIA Data Results

In September 2003, the VMC network started the prior approval process for imaging studies through NIA for MVP’s fully insured commercial HMO members. The following data is for the time period of January through March 2004 and represents the VMC network only. The VMC network requested approval for 420 services, of which 375 or 89.3% were approved. There were 45 or 10.7% disapprovals, of which 5.7% were due to the case not meeting the clinical criteria or the case being retrospectively reviewed and disapproved. The remaining 5.0% were administrative disapprovals.

VMC has requested further detailed data, which would identify the type of service, ordering physician, and whether the denials occurred before or after an appeal. As more information becomes available, we will make it available to you.

### National Imaging Associates Determinations Activity Summary Vermont Managed Care Report Period: 1/1/2004 thru 3/31/2004

Total Cases	Total Approvals		Clinical & Retrospective Disapprovals		Administrative Disapprovals	
	Volume	% of Total Cases	Volume	% of Total Cases	Volume	% of Total Cases
420	375	89.3%	24	5.7%	21	5.0%

## Provider Performance Reports

In the January 2004 issue of our newsletter VMC announced that we would be producing Provider Performance Reports for our primary care and specialty care physicians that reflect all lines of business. The parameters and format of these reports are in development and we estimate that the first set of reports will be distributed by late summer.

VMC has also taken on the task of delivering the MVP Resource Management Report, known as the "RMR", to our Primary Care Physicians. MVP distributed the sixth iteration (covering the time frame of July 2002 - June 2003) of the RMR to primary care physicians in late January 2004. VMC is meeting with these primary care physicians to discuss the report. Your cooperation in meeting with us will help us ensure the continued coordination of information, which is shared between VMC, the provider and the payer.

## Fletcher Allen Preferred, Preferred Plus and Pre-65 Retiree SPD's

New Summary Plan Documents (SPD's) are being mailed to members in early summer for the following health plans:

- Fletcher Allen Preferred and Preferred Plus Health Plans
- Fletcher Allen Pre 65 Retiree Health Plan

The SPD's are available to providers upon request. Please call VMC Customer Service at 866-582-6836.

## Case Management: The Good, the Bad and the Ugly Conference Highlights

The Green Mountain Chapter of the Case Management Society of America held its 6th annual conference titled "Case Management: The Good, the Bad and the Ugly" at the Lake Morey Resort in Fairlee, VT on April 15-16, 2004. The conference was attended by over 100 case managers from New Hampshire and Vermont including VMC's six case managers. Vermont Managed Care was a major sponsor of the conference.

Conference highlights included Vermont Governor Jim Douglas attending and speaking on the impact of case management in Vermont. Other conference topics included:

- Confronting fraud and abuse in case management;
- Clinical ethics and decision making; and
- Fraud, abuse and forensic accounting.

The Green Mountain Chapter of Vermont is an official chapter of the national organization of the Case Management Society of America (CMSA). The Green Mountain Chapter is a non-profit statewide network of healthcare professionals engaged in the specialized practice of case management. Please check out Green Mountain's web site at [www.greenmntchapter.org](http://www.greenmntchapter.org) for further information.

## Spotlight on the VMC Web Site

### Patient Section

The first thing patients will read when entering the "Patient" section of the VMC Web Site is "Welcome Patients". The VMC Web Site was designed not only to bring valuable information to our provider network, but also to the patients who are accessing your care. The thinking behind this is quite simple: the more you know the better it works. Managed care is complicated for the professionals who work in it on a daily basis, let alone for the patients who access it from time to time. As a result, we felt it was imperative to provide patients with the same information their providers have. In the "Patient" section, patients will find options for researching information on VMC Customer Service, Care Management Assignments, 24/7 Nurse access, VMC Contracted Health Plans and Network Facilities. An "Ask VMC" link is also provided to allow patients direct communication with VMC via the web.



While there is a separate section that provides patient-specific information, the entire VMC web site is open to public viewing and research. VMC encourages you to share the VMC web site address with your colleagues and patients, particularly those patients who may be in extended care situations. Again, the more everyone knows, the better it works.

# VMC Board of Directors

* John Fogarty, MD, Chairperson Fletcher Allen Health Care Family Practice	James Mogan, MD Private Practice Orthopaedics
* Joseph Hagan Jr., MD, Vice Chair Private Practice Pediatrics	Peter Moses, MD Fletcher Allen Health Care Gastroenterology
* John Brumsted, MD, Treasurer Fletcher Allen Health Care Chief Medical Officer	Robert Pierattini, MD Fletcher Allen Health Care Chairman, Dept. of Mental Health
PM Costello, MD Private Practice Pediatrics	Paul Reiss, MD Private Practice Family Practice
Ken Fisher, Interim CFO Fletcher Allen Health Care Chief Financial Officer	Geoffrey Tolzmann Fletcher Allen Health Care VP, Network Development
Blake Jensen, CIO Fletcher Allen Health Care Information Services	Paul Unger, MD Private Practice Hematology/Oncology
Mark Lichtenstein, MD Medical Director Copley PHO	Dennis Vane, MD Fletcher Allen Health Care Pediatric Surgery
Stephen Mason, MD Vermont Anesthesia Consortium Northwestern Medical Ctr. PHO	Jeffrey Wasserman Fletcher Allen Health Care VP, Medical Group Mgmt.

\* Board Officers

## Vermont Managed Care Contact Numbers



Phone #	Fax #	Phone # FAP
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### Main\*

802-847-8161	802-847-6214	
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### Care Coordinators

802-847-8369	802-847-6212	802-847-4862
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### Customer Service

802-847-8369	802-847-6213	802-847-4862
800-639-3881		866-582-6836

### Provider Enrollment

802-847-8161	802-847-3427
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\*Provider Relations, Network Development, Data Management and Financial Operations may all be contacted through the main line. A complete phone list of all staff is available in your VMC Provider Manual or online at [www.vermontmanagedcare.org](http://www.vermontmanagedcare.org).

Tel. (802) 847-8161  
(800) 639-3881

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