

December 2002

Vermont Managed Care

Provider Newsletter



PARTNERS *in* CARE

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We encourage our readers
to call or write us with
your feedback about
our newsletter.

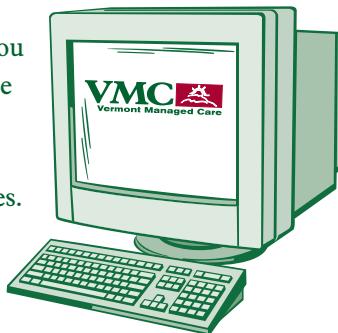
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Welcome

Welcome to the current edition of "Partners in Care"! Vermont Managed Care is pleased to announce that you will be receiving this newsletter on a quarterly basis. The goal of the newsletter is to provide timely information for provider offices and hospitals and in particular office and department managers. The articles in these publications will address operational, financial, and clinical information on the contracts you hold with Vermont Managed Care. We ask that you share this information throughout your organization. We welcome your suggestions for future newsletter articles and encourage you to contact us with your comments. Please direct your comments to Roberta Mitchell, Provider Relations Specialist at 802-847-2528 or roberta.mitchell@vtmednet.org.

VMC Web Site Coming Soon

VMC is developing a web site that will put useful information at your fingertips. Our plan is to bring the web site up in early 2003 and then phase in additional functionality over time. We will keep you informed on the progress of the VMC web site in future articles.



VMC Announces a New Medical Director

Vermont Managed Care, Inc. is pleased to announce that James A. Duncan, MD formerly the Associate Medical Director, agreed to take on the expanded responsibilities at VMC as Medical Director.



Dr. Duncan assumed the Medical Director role following Dr. Norman Ward's departure to take on new responsibilities at FAHC in September 2002. Dr. Duncan first joined VMC on May 1, 2001.

Dr. Duncan is board certified in Emergency Medicine and is board certified by the American Board of Quality Assurance and Utilization Review Physicians. He brings to VMC many years of experience as a practicing Emergency Room Physician as well as 15 years as a review physician for several organizations. He served as Chairman of the Utilization Management Committee at Fanny Allen Hospital for over 8 years and as Chairman of the VMC Quality Committee in 1993-1994. He also provided physician review services for Delmarva, Vermont Health Care Review, HealthPro Corporation and currently serves on the UR/QA committee at Northwestern Medical Center. He currently practices Emergency Medicine at Northwestern Medical Center in St. Albans and at Fletcher Allen Health Care in Burlington.

Dr. Duncan can be reached at VMC at 847-8161 or by mail at PO Box 1150, Burlington, VT 05402-1150.

MVP Referrals not needed for:

MVP Referrals are not required for the following services: Two (2) in-network annual GYN exams, routine maternity care, routine eye care, hearing evaluations, speech evaluations, diabetic eye exams, emergency room services, and hospital laboratory services. Please note that Chiropractic services require only a prescription from the patient's Primary Care Physician.

MVP Directory Correction

In the latest edition (2/02) of the MVP Participating Provider Directory, the provider number listed for Henry Southall, M.D.'s specialty cardiology practice is incorrect. Dr. Southall's MVP provider number is 31V500. Please use this number when referring patients to Dr. Southall for specialty care services.

Henry Southall, M.D.
Morrisville, Vermont 05661
County: Lamoille
(802) 888-5000
Provider #: 31V500

MVP Member Identification Numbers

All MVP ID numbers were changed on September 1, 2002 to a standard HIPPA compliant number. Determination of a member's ID and plan may be obtained through the following sources

- Member's ID Card
- MVP Customer Service (888-687-6277)
- MVP Web Site (www.mvphealthcare.com) or
- The provider panel report (for Primary Care Physician offices only) lists both the old and new ID numbers (this service will be discontinued after January 2003).

Provider Practice and Billing Changes – 60 Days Prior Notification Required

VMC is responsible for notifying MVP, TVHP and EMI (the third party administrator for the FAP plans) of any change in a provider's profile information. It is imperative that VMC receive written notification of these changes 60 days in advance as outlined in Section 2.10 of your Participating Provider Agreement with VMC. Historically, the insurance companies have been somewhat lenient with back-dating these changes. However this is no longer the case. Examples of changes which VMC must receive in writing include, but are not limited to

- adding a new provider
- terminating a departing provider
- changing any credentialing information
- changing the practice name, address, phone number, billing name, billing address, or tax identification number
- opening or closing the practice to new patients.

Any modification to a contracted VMC provider's practice will become effective 60 days from the date VMC receives written notification. Please send changes to VMC, attention Network Profile Specialist.

Provider Recognition Program

The Care Management Committee of the VMC Board has approved a Provider Recognition Program. The program acknowledges VMC providers and their staff for excellence in patient care and service, office operational improvements and professional achievement.

Nominations are welcome from network providers and/or staff, VMC Medical Directors, or VMC staff. Recognitions will be non-monetary and may include weekend hotel packages, restaurant gift certificates, theater tickets or movie passes. Please submit your nominations to Martita Giard, Director of Network Development and Provider Relations, at 847-8161 or martita.giard@vtmednet.org. We will announce recipients in future newsletters.



Provider Correction

James Dougherty, MD of Evergreen Family Health was incorrectly listed as having a closed practice in the Fletcher Allen Preferred directory and in the TVHP system. James Dougherty, MD is accepting new patients for both the Fletcher Allen Preferred Medical plans and TVHP.

Top 12 Diagnoses for IP Admissions

Includes TVHP, MVP, and Fletcher Allen Preferred Medical Plans

January – June 2002

Descending by Total Cost

DRG	DRG Description
373	VAGINAL DELIVERY WITHOUT COMPLICATING DIAGNOSES
516	PERCUTANEOUS CARDIOVASC PROC WITH AMI
1	CRANIOTOMY AGE >17 EXCEPT FOR TRAUMA
75	MAJOR CHEST PROCEDURES
209	MAJOR JOINT & LIMB REATTACHMENT PROCEDURES OF LOWER EXTREMITY
388	PREMATURITY WITHOUT MAJOR PROBLEMS
107	CORONARY BYPASS WITH CARDIAC CATH
148	MAJOR SMALL & LARGE BOWEL PROCEDURES WITH CC
109	CORONARY BYPASS WITHOUT PTCA OR CARDIAC CATH
517	PERC CARDIO PROC WITHOUT CORONARY ARTERY STENT WITHOUT AMI
104	CARDIAC VALVE & OTH MAJOR CARDIOTHORACIC PROC WITH CARD CATH
110	MAJOR CARDIOVASCULAR PROCEDURES WITH CC

Descending by Volume of Cases

DRG	DRG Description
373	VAGINAL DELIVERY WITHOUT COMPLICATING DIAGNOSIS
391	NORMAL NEWBORN
371	CESAREAN SECTION WITHOUT COMPLICATION
372	VAGINAL DELIVERY WITH COMPLICATING DIAGNOSES
359	UTERINE & ADNEXA PROC FOR NON-MALIGNANCY WITHOUT COMPLICATIONS
209	MAJOR JOINT & LIMB REATTACHMENT OF THE LOWER EXTREMITY
390	NEONATE WITH OTHER SIGNIFICANT PROBLEMS
462	REHABILITATION
167	APPENDECTOMY
516	PERCUTANEOUS CARDIOVASCULAR PROCEDURE WITH AMI
89	SIMPLE PNEUMONIA & PLEURISY >17 Y.O. WITH COMPLICATIONS
517	PERC CARDIO PROC WITH CORONARY ARTERY STENT WITHOUT AMI

The Vermont Health Plan (TVHP)

Diabetes Disease Management

Diabetes is the seventh leading cause of death by disease in Vermont. Significant variation exists in the degree to which diabetes patients receive recommended care and in the outcomes of care. Many diabetic patients do not receive the basic screening tests that provide information about the severity and status of their illness.

In 2001, TVHP/BCBSVT implemented a pilot Diabetes Disease Management Program to offer diabetic care management and program intervention. The Care Coordinators at VMC are managing the TVHP members identified as high risk from the survey conducted during the pilot program.

For further information please contact VMC at 847-8369.

Fletcher Allen Preferred &

In-network Hospitals

The following is a listing of **in-network** hospitals for the Fletcher Allen Preferred and Preferred Plus Medical Plans.

Central Vermont Medical Center
Berlin, VT

Copley Hospital
Morrisville, VT

Dartmouth-Hitchcock Medical Center
Lebanon, NH

Fletcher Allen Health Care
Burlington, VT

Gifford Medical Center
Randolph, VT

Mount Ascutney Hospital and Health Center
Windsor, VT

North Country Health System
Newport, VT

Northwestern Medical Center
St. Albans, VT

Porter Hospital
Middlebury, VT

Upper Connecticut Valley Hospital
Colebrook, NH

Weeks Medical Center
Lancaster, NH

FAP Copayments for Chemotherapy, Dialysis and Maternity Care

- Chemotherapy received in a provider's office - \$20.00 copayment/visit is required
- Dialysis received at an outpatient facility - No copayment is required
- Maternity Care - One copayment of \$10.00 is taken at the initial office visit to confirm pregnancy and no additional copayments are collected for subsequent prenatal, delivery and postnatal visits. Please note that the diagnoses on the claim(s) must relate to prenatal care and not a medical diagnosis. Otherwise the member will be charged a copay for each visit with a medical diagnosis.

FAP – Routine and Medical Vision Exams

Fletcher Allen Preferred and Preferred Plus Plans provide coverage for both routine and medical vision exams. The following copayments and frequency guidelines apply.

- A "Routine Vision Exam" is subject to a \$15.00 copayment. One routine vision exam, with a refraction, is covered every 24 months.
- A "Medical Vision Exam" is subject to a \$20.00 copayment. The visit is billed with a medical diagnosis for the treatment of a medical eye condition and there is no limit to the number of visits. However, a refraction is not covered under a medical exam.

FAP – IUD Billing

Please use the following billing codes for IUD's when submitting FAP claims.

J7300 For the intrauterine copper contraceptive.

J7302 For the levonorgestrel-releasing intrauterine contraceptive system, also know as the "Mirena" IUD.

J3490 (Unclassified Drugs) For the "Progestasert" IUD. Provider must also submit a copy of their invoice with the claim.

Payment of Claims for Fletcher Allen Medical Plans

Vermont Managed Care contracts with Employers Mutual, Inc. (EMI) of Jacksonville, Florida to process the claims for the Fletcher Allen Medical Plans. One of the weekly quality monitors EMI reports is assessing the time it takes to pay a claim. The "days to pay" counts the days from claim receipt to when the claim is ready for payment.

For the last three months the average days to pay were

August 2002	7.5 days
September 2002	11.9 days
October 2002	7.5 days

Preferred Plus Plans (FAP)

FAP Medical Plan Web Page

The Fletcher Allen Preferred Medical Plan web site, www.fahc-preferred.org, identifies in-network health care providers and is updated nightly. The search function for the provider directory allows you to search by town, county, name and specialty to name a few. Additional information available on the web site includes contact phone numbers, web links, email addresses as well as benefit and open enrollment information.

Fletcher Allen Preferred Maternity Wellness Program

VMC is pleased to announce a new value-added service for our Fletcher Allen Preferred Members. On January 1, 2003, VMC will begin enrolling expectant mothers in a voluntary program aimed at providing education. Some of the program highlights are access to a selection of services including infant child CPR classes, childbirth classes, a choice of educational books, lactation support services and home care services. For more information, please contact Jeanette Robinson, RN, CCM at 847-8369.

Fletcher Allen Preferred Outcome Measures

VMC began administering the Fletcher Allen Preferred Medical Plan in January of 2002. VMC regularly monitors performance measures to assure high quality service to our providers. The following is a synopsis of selected performance measures for the time frame of January-September 2002. If there are ways we can serve you better please let us know.

January-September 2002	Goal	VMC Performance
Customer Service		
Seconds to answer phone calls in member services	45 seconds	38 seconds
Time on hold	less than 45 seconds	48.2 seconds
Abandoned call rate	less than 5%	4.2 %
Claims processing		
Claim inventory back log	less than 10 days	9 days
Claim accuracy	98.5%	Financial 99.8% Payment 96.6% Processing 99.4%
Claim payment cycle time	95% clean claims paid in 20 days	7.2 days
Care Management		
Care Management decision time	w/in 48 hours	19.2 hours
Appeal decision time	w/in 15 days	2.4 days
Clinical documentation	95%	98.5%
Inter-rater reliability	90%	93%

EMI Web Site

Did you know that Fletcher Allen Preferred, Preferred Plus and Retiree Pre & Post 65 (FAP) member eligibility, benefits, and claim processing status is available to VMC network providers through the Employers Mutual, Inc (EMI) web site?

If you are interested in gaining access to EMI's web site, you may obtain an ID and password by logging on to www.emitpa.com. Choose "About EMI" and select "ID/Password Sign Up" from the menu on the left. Click

on provider, complete the form and submit. EMI will then send a letter to the provider, via US Mail, with the ID/Password and web site instructions.

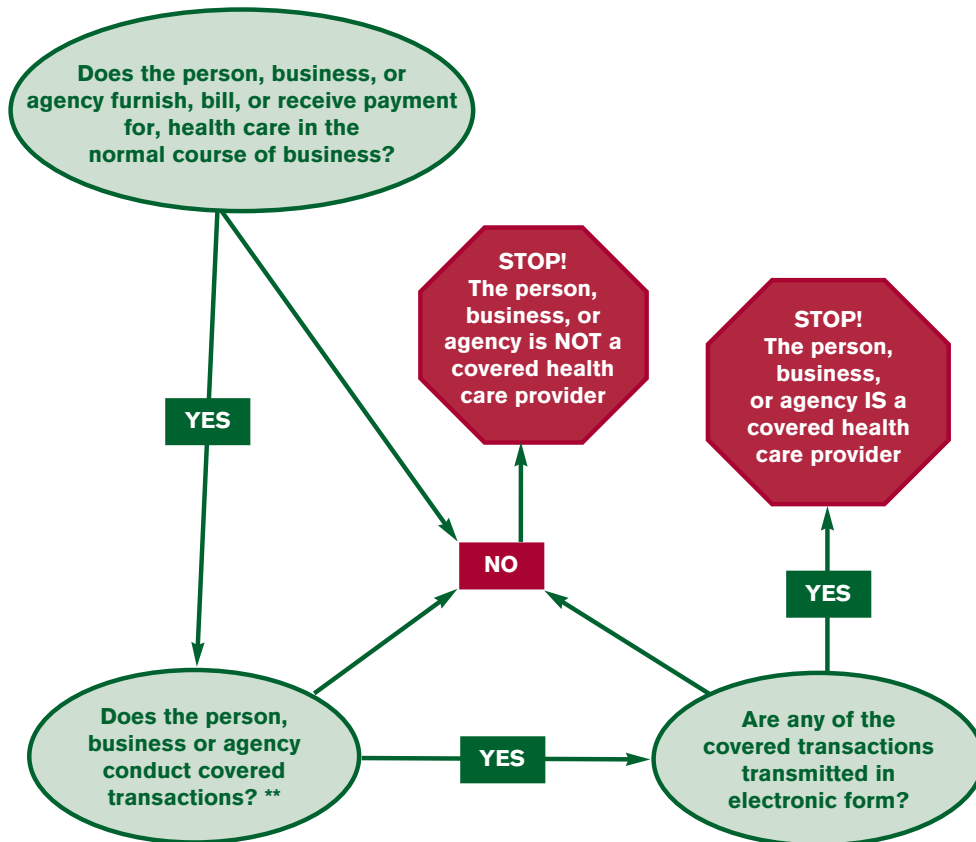
The user ID is assigned based on your billing tax identification number. If you are a group of providers that have one billing tax identification number, each provider will have their own user ID and password.

Health Insurance Portability and Accountability Act (HIPAA)

In 1996, the Health Insurance Portability and Accountability Act (HIPAA) became law. It requires, among other things, that the Department of Health and Human Services establish national standards for electronic health care transactions and code sets. Providers who submit claims electronically were subject to being compliant with these standards by October 15, 2002. For those providers unable to meet this deadline, the Administrative Simplification Compliance Act (ASCA) provided a one-year extension to October 16, 2003, to those entities, which filed an extension request form by October 15, 2002.

The Center for Medicaid & Medicare Services (CMS) (www.cms.gov/hipaa) is an excellent resource for information regarding the regulation. The following is an excerpt from the site:

Are you as a health care provider a "covered health care provider"?



**Covered transactions (standard 45 C.F.R. Part 162) – A request to obtain payment and necessary accompanying information, from a health care provider to a health plan, for health care.

From the FAQ's on the CMS website:

1 What should a covered health care provider that did not comply with the standards and did not file an extension request by October 15, 2002 do now?

They should come into compliance as soon as possible, and should be prepared to submit a corrective action plan in the event a complaint is filed against them.

2 What action will be taken against HIPAA covered entities that have not submitted extension requests by October 15, 2002?

A covered entity that has not implemented the HIPAA transaction and code set standards AND has not submitted an extension request is noncompliant, and could be subject to enforcement actions.

3 What kinds of penalties could be imposed?

The Administrative Simplification Compliance Act (ASCA) permits the Secretary of HHS to exclude covered entities from the Medicare program between October 16, 2002 and October 16, 2003 if they have not submitted an extension request.

In addition, the original HIPAA legislation permits civil monetary penalties of not more than \$100 for each violation with a cap of \$25,000 per calendar year.

Thus, the ASCA penalty is for failure to submit an extension request, and it applies only to Medicare providers, while the HIPAA penalty is for noncompliance, and is generally applicable. Medicare providers could be both excluded and fined, while non-Medicare covered entities would be subject only the civil monetary penalties.

Providers who are unsure if their electronically submitted claims are compliant with the standard should check with their clearinghouse or software vendor.

Care Management Staff

VMC would like to introduce you to our staff of Certified RN Case Managers. Many of you have spoken with the nurses at VMC in the past and they can offer assistance to you in working with your VMC members for MVP HMO, TVHP and Fletcher Allen Preferred plans.

Edwina Bartley, RN, AOHNCm – Edwina manages the precertification program at VMC. She is assigned to the provider offices in the Franklin County area.

Kitty Emerson, RN, CCM – Kitty performs on-site review of Inpatient stays at FAHC for TVHP and Fletcher Allen Preferred. Kitty is assigned to the provider offices in Essex, Williston and Colchester.

Darlene Morgan, RN, CCM, CRRN – Darlene performs on-site review of inpatient stays at FAHC for MVP HMO members. She is assigned to the provider offices in Addison County.

Carol Palmer, RN, BSN, CCM – Carol is responsible for reviewing all out of plan and prior approval requests. Carol is assigned to the provider offices in the Burlington area.

Jeanette Robinson, RN, CCM – Jeanette performs out of plan and prior approval requests for the Fletcher Allen Preferred Plan. She is assigned to the provider offices in Washington and Lamoille Counties.

Geraldine Smith, RN, CCM – Geraldine is responsible for managing all inpatient admissions at Porter Hospital, Copley Hospital, Northwestern Medical Center and all out of network facilities.

Please feel free to contact any of the nurses (847-8369) as a resource for managing your members. They can assist with discharge planning, home care services, case management, access to community services or help to coordinate disease management services.

New Technologies

VMC uses a number of methods to analyze new technologies (The Cochran Library and Hayes Inc. Directory Review are just 2 examples of evaluative resources.) The following is a synopsis of new technologies which have undergone review by VMC. Coverage will be reviewed as new evidence becomes available in the medical literature.

VNUS closure procedure- Approved for coverage.

DRS traction device- Deemed unproven. To be reviewed on a case by case basis.

Capsule Endoscopy- Deemed unproven. Not reimbursable at this time.

Telemedicine- VMC leadership has approved the reimbursement of this technology in accordance with Medicare criteria for coverage in the Fletcher Allen Preferred Plan. VMC is discussing reimbursement with BCBS/TVHP and MVP at this time.

Drug Coated Stents- Stents approved by the FDA will be considered for payment. All others on a case by case basis.

First Annual Provider CME Program

VMC hosted its first annual provider CME Program on Saturday, December 7, 2002, at the Inn at Essex. The program focused on “New Biologics and Technologies in Clinical Therapy” with presentations on the following topics:

- New Cardiac Therapy
- TNF in Inflammatory Bowel Disease
- New Treatment for Psoriasis/UVM Clinical Study
- Biological Response Modifiers in the Treatment of Chronic Inflammatory Disorders and Auto-Immune Disease
- Health Economic Debate: Cost Benefit of New Technologies in the Current Health Care Paradigm

We are pleased to have had physician speakers from the VMC Network as well as others from New Hampshire and Massachusetts. The University of Vermont College of Medicine designated this an educational activity for a maximum of five (5) hours in Category 1 credit toward the AMA Physician’s Recognition Award.

2003 Fee Schedule

VMC is currently working on changes to the network reimbursement for 2003 and we anticipate implementing these changes in the spring. More information will be provided in the next newsletter.

Happy
New
Year!





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VMC Board of Directors

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* Board Officers

Vermont Managed Care Contact Numbers



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

847-8161	847-6214		
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Care Coordinators

847-8369	847-6212	847-4862	847-6212
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Customer Service

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

*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.