NEWS Brief business information and news from Premera Blue Cross

May 16, 2013

Prior Authorization

As part of our efforts to help our members receive high-quality, cost-effective care consistent with clinical best practices, Premera Blue Cross is implementing prior authorization. Prior authorization reduces the need for retrospective (or post-service) review for medical necessity and streamlines the claims payment process. By requesting prior authorization, providers receive confirmation of patient benefits and assurance of timely claims processing.

When will prior authorization be implemented?

Beginning Sept. 1, 2013, some employer groups will move to prior authorization as they renew or come onto Premera coverage. Individual and small group plans will begin to move to prior authorization on Jan. 1, 2014.

What is the impact to my practice?

- Providers will be accountable for requesting prior authorization services for their patients.
- Premera members are responsible for making sure their doctors and other healthcare providers request prior authorization for certain medical services. Depending on the terms of the specific member booklet, members may receive a financial penalty if a prior authorization is not completed. Your patients depend on you to contact us on their behalf to request prior authorization.
    - A preliminary list of the procedures and services requiring prior authorization is posted at **premera.com/wa/provider**. Under Utilization Review on the left menu, select the Prospective Review link.
    - Facilities should make sure that prior authorization has been received before admitting Premera members for scheduled services.
- When a prior authorization is not completed, the member financial penalty is processed as member liability. The amount of the member financial penalty, along with other charges for which the member is responsible (copay/deductible) will be noted in the member liability section on the Explanation of Payment (EOP).
- Some services not on the prior authorization list still require review for medical necessity to determine coverage. While the member faces no penalty when these services are not reviewed in advance, post-service review may delay claims processing and result in denial of the claim if medical necessity criteria are not met. Therefore, we recommend requesting a pre-service review for medical necessity. Services requiring review can be found in the Clinical Review Code List, posted at **premera.com/wa/provider**. Under Utilization Review on the left menu, select the Prospective Review link.

PREMERA BLUE CROSS

Please post or circulate this News Brief in your office

010365 (05-16-2013), DR # 4947

What action do I need to take? What do I need to know?

- Request prior authorization from Premera in advance of certain procedures and services. This prospective (or pre-service) review must be completed before the service is rendered.
- Use the online Prospective Review Tool at **premera.com/wa/provider** (under Utilization Review on the left menu, select Prospective Review, then the "Get Started Now" button) to request a prospective review, check the status of an existing review, or to get additional information.
- As before, contracted providers remain financially liable for rendering services that are not medically necessary.

Why the change to prior authorization?

- Prior authorization promotes timely claims processing and payment for our providers.
- Prior authorization allows us to help our members and providers avoid unnecessary financial liability.
- Prior authorization facilitates predictable coverage and helps identify those members who may benefit from additional Premera services such as case and disease management.
- Employer groups have requested prior authorization to help ensure that their employees are receiving high-quality, cost-effective care.

Additional Support:

- For questions about this News Brief, call Physician and Provider Relations at 877-342-5258, option 4, and ask to be connected to your provider network representative.
- Look for a detailed article in the August issue of *Network News*.
- Visit our provider website at **premera.com/wa/provider** for the latest news and updates.
- For claims-related questions, call the number on the back of the member's ID card.