SPECIAL eBULLETIN

FOR PROFESSIONAL PROVIDERS

AUGUST 1, 2022

ATTN: PHYSICAL THERAPISTS, OCCUPATIONAL THERAPISTS, AND CHIROPRACTORS

HIGHMARK TO INTRODUCE THERAPY BUNDLES

Effective September 1, 2022, Highmark will modify the way it reimburses physical therapists, occupational therapists, and chiropractors for evaluations, therapy, modalities, and manipulations.

In keeping our commitment to making health care accessible and affordable to our members, Highmark recognizes the need to promote cost transparency. To that end, Highmark will be introducing a bundled daily rate for physical therapy, occupational therapy, and chiropractic services.

The new reimbursement methodology will better enable Highmark providers and members to know the cost of their treatment in advance, which will result in:

- Greater revenue predictability
- · Increased ability to accurately collect member cost share at the time of service
- Improved overall member experience

WHAT THIS MEANS TO YOU

This initiative is part of an ongoing effort to make Highmark members feel more prepared, involved, and informed regarding their health care, while simultaneously aligning our reimbursement rates to industry standards. The change will **not** impact the way in which claims are submitted. Providers should continue to use the appropriate Healthcare Common Procedure Coding System (HCPCS) for all services delivered.

While the fee schedule will still be applied on all services, claims will only pay up to a daily bundled maximum. There will be one **Daily Dollar Maximum** for evaluation services (with or without therapy services), and a different daily bundled maximum for <u>only</u> therapy services.

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This information is issued on behalf of Highmark Blue Shield and its affiliated Blue companies, which are independent licensees of the Blue Cross Blue Shield Association. Highmark Inc. d/b/a Highmark Blue Shield and certain of its affiliated Blue companies serve Blue Shield members in 21 counties in central Pennsylvania and 13 counties in northeastern New York. As a partner in joint operating agreements, Highmark Blue Shield also provides services in conjunction with a separate health plan in southeastern Pennsylvania. Highmark Inc. or certain of its affiliated Blue companies also serve Blue Cross Blue Shield members in 29 counties in western Pennsylvania, 13 counties in northeastern Pennsylvania, the state of West Virginia plus Washington County, Ohio, the state of Delaware and 8 counties in western New York. All references to Highmark in this document are references to Highmark Inc. d/b/a Highmark Blue Shield and/or to one or more of its affiliated Blue companies.

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Please note that Durable Medical Equipment items, such as splints or braces, aren't included as part of the daily bundled maximum. Instead, these items will continue to be reimbursed separately.

EASE OF ADMINISTRATION

Understanding the need to simplify prior authorization, Highmark remains committed to delivering a more manageable Utilization Management process. This reimbursement modification is just the first in a series of changes that will lead to a more streamlined prior authorization process.

QUALITY-BASED INCENTIVES

This reimbursement change will be a key feature of future incentive programs for providers, but participation in such programs would be contingent on adoption of the new Daily Dollar Maximum methodology. Highmark is currently evaluating potential programs and will update providers as additional information becomes available. To help in the review process, your input may be solicited.

NEXT STEPS

New contracts that include the daily bundle and annual rate adjustment language will be issued for Medicare Advantage and commercial products beginning in August 2022.

For updated Daily Dollar Maximums, or for additional information around the changes, please refer to the *Frequently Asked Questions* on the Provider Resource Center, which can be accessed via <u>NaviNet</u>[®].

To view the FAQs, choose **Resource Center** from the left-hand menu in NaviNet. Once you are redirected to the Provider Resource Center, click on **CLAIMS, PAYMENT & REIMBURSEMENT** from the left sidebar, then select **Physical Therapy, Occupational Therapy And Chiropractic Daily Bundle Maximum**. Once there, click on **Frequently Asked Questions**.

Questions about the changes should be sent to: <u>AncillaryProviderContractAdministration@Highmark.com.</u>