

**NORTHERN TIER INSURANCE CONSORTIUM**  
**Effective July 1, 2014**

Recently, Blue Cross of Northeastern Pennsylvania/First Priority Life Insurance Company notified us of changes they are requiring under their fully-insured contracts for their health insurance programs. As you are aware, our district is a member of the Lycoming County Insurance Consortium and as such many changes (both historically and prospectively) have been, and will be, governed by that entity. The Consortium historically follows the changes required by Blue Cross as they become approved through the Pennsylvania State Insurance Department.

Effective July 1, 2014 the following updates will be implemented under your health insurance plan:

<b>Administrative Services Agreement</b>
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**Clarification:** The following changes are made to add clarity to existing language and/or as routine Agreement maintenance:

- Removed “telegram” as acceptable form of notice. Replaced with “electronic communication” to include email as acceptable form of notice.
- Added the following language: Nothing herein shall preclude sharing this Agreement or any Confidential and Proprietary Information disclosed in accordance with this Agreement with Highmark Health and Highmark, Inc. with whom BCNEPA is in the process of receiving regulatory approval of a merger transaction.

**Exclusions:**

- An exclusion is added as follows: Screenings, other than those specifically listed on the Preventive Schedule or recommended by the U.S. Preventive Services Task Force (USPSTF) are excluded.
- The exclusion “Substance Abuse services utilizing methadone or methadone-like equivalents” is removed from the contracts and replaced with “Methadone or methadone-like equivalents (except for Suboxone equivalents and Subutex equivalents)”
- An exclusion is added to the Outlines of Coverage as follows: charges in connection with surrogate parenting
- The exclusion related to the treatment of temporomandibular joint (TMJ) is replaced with the following in order to allow for coverage when there has been complete destruction of the TMJ: Treatment of TMJ is excluded except for surgical treatment for the total reconstruction or replacement of a completely degenerated joint
- The exclusion related to travel expenses is updated to add an exception for immunizations for the purpose of travel.

**General Insured Exclusions:**

Plans may elect to adopt the BlueCare insured Group Master Contract Exclusions for Agreements effective July 1, 2014. If adopted, the July, 2014 Group Master Contract Exclusions would replace the Plan’s current exclusion list.

## BlueCare Traditional

**Newborn Deductible Application:** The specific coverage for your plans is added to the Benefit Schedule.

**Experimental/Investigative Treatment:**

- Section CC – Care Coordination, Experimental/Investigative Treatment is updated to clarify that the Participant or the provider may contact Customer Service, not the Pre-Certification Department, to determine whether a service is Experimental or Investigative.
- General Provisions, Experimental or Investigative is updated to clarify that First Priority Life/First Priority Health, not specifically a Medical Director, shall determine whether the use of any treatment, procedure, provider, equipment, drug, device, or supply is experimental or investigative.

**Immunizations:** The immunization section of the Benefit Schedule is updated to clarify the coverage for adult immunizations. Previously, only pediatric immunizations were specifically outlined.

**Participant Liability Determination:** Section CC – Care Coordination, Participant Liability Determination, In-Area Claims is updated to clarify that the Participant is responsible for amounts in excess of any benefit maximums.

**Prescription Drug:**

Section Rx – Prescription Drug Coverage is updated to clarify the definitions of Participating Mail Order Pharmacy Provider and Participating Pharmacy Provider for Specialty Drugs. The clarification states that a participating provider has entered into an agreement with First Priority Life, its affiliates, agents and assigns

**Transplants:**

- A definition of Transplant Procedures is added.
- The Transplant Surgery section of the Description of Benefits is renamed Transplant Procedures and the section is updated to include more specific information on the responsibility for obtaining precertification.

**Care Coordination:** Section CC – Care Coordination is updated to change the Case Management section to the more descriptive Alternative Treatment Plan Services, and language is added to clarify that the alternative treatment plan recommended by the physician will be reviewed by a Medical Director to determine medical necessity, and if approved, facilitate the implementation of that plan.

**Definitions:** The definition of Professional Provider is updated to clarify that a Clinical Social Worker is considered a Professional Provider. (*The definition previously stated Social Worker*)

## BlueCare PPO

**Newborn Deductible Application:** The specific coverage for your plans is added to the Benefit Schedule.

**Experimental/Investigative Treatment:**

- Section CC – Care Coordination, Experimental/Investigative Treatment is updated to clarify that the Participant or the provider may contact Customer Service, not the Pre-Certification Department, to determine whether a service is Experimental or Investigative.
- General Provisions, Experimental or Investigative is updated to clarify that First Priority Life/First Priority Health, not specifically a Medical Director, shall determine whether the use of any treatment, procedure, provider, equipment, drug, device, or supply is experimental or investigative.

**Immunizations:** The immunization section of the Benefit Schedule is updated to clarify the coverage for adult immunizations. Previously, only pediatric immunizations were specifically outlined.

**Participant Liability Determination:** Section CC – Care Coordination, Participant Liability Determination, In-Area Claims is updated to clarify that the Participant is responsible for amounts in excess of any benefit maximums.

**Prescription Drug:**

Section Rx – Prescription Drug Coverage is updated to clarify the definitions of Participating Mail Order Pharmacy Provider and Participating Pharmacy Provider for Specialty Drugs. The clarification states that a participating provider has entered into an agreement with First Priority Life, its affiliates, agents and assigns

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**Definitions:** The definition of Professional Provider is updated to clarify that a Clinical Social Worker is considered a Professional Provider. (*The definition previously stated Social Worker*)

## Qualified High Deductible Health Plans

**Newborn Deductible Application:** The specific coverage for your plans is added to the Benefit Schedule.

### **Experimental/Investigative Treatment:**

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- General Provisions, Experimental or Investigative is updated to clarify that First Priority Life/First Priority Health, not specifically a Medical Director, shall determine whether the use of any treatment, procedure, provider, equipment, drug, device, or supply is experimental or investigative.

**Immunizations:** The immunization section of the Benefit Schedule is updated to clarify the coverage for adult immunizations. Previously, only pediatric immunizations were specifically outlined.

**Participant Liability Determination:** Section CC – Care Coordination, Participant Liability Determination, In-Area Claims is updated to clarify that the Participant is responsible for amounts in excess of any benefit maximums.

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Section Rx – Prescription Drug Coverage is updated to clarify the definitions of Participating Mail Order Pharmacy Provider and Participating Pharmacy Provider for Specialty Drugs. The clarification states that a participating provider has entered into an agreement with First Priority Life, its affiliates, agents and assigns

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**Definitions:** The definition of Professional Provider is updated to clarify that a Clinical Social Worker is considered a Professional Provider. (*The definition previously stated Social Worker*)

**Section DE – Definitions** is updated to clarify the definitions of Participating Mail Order Pharmacy Provider and Participating Pharmacy Provider for Specialty Drugs. The clarification states that a participating provider has entered into an agreement with First Priority Life, its affiliates, agents and assigns

## Health Care Reform

**Clinical Trials:** For non-grandfathered plans, routine costs for items and services furnished in connection with a participant in a phase I, II, III, or IV clinical trial designed to prevent, detect, or treat cancer or other life-threatening diseases or conditions are covered. Routine costs associated with clinical trials are subject to Deductibles, Copayments, Coinsurance, and amounts in excess of any Benefit Maximums.

**Preexisting Conditions:** The Interim Final Rule (IFR) on Preexisting Condition Exclusions, Lifetime and Annual Limits, Rescissions, and Patient Protections eliminates preexisting clauses for self-insured grandfathered and non-grandfathered plans.

**Annual Limitations:** Final regulation on standards related to the Affordable Care Act state that all non-grandfathered group health plans must comply with the annual limitation of \$6,350 on in-network out-of-pocket maximums. All groups will have a \$6,350 maximum applied to in-network medical services (deductibles, coinsurance and copayments).

**Elimination of Annual Dollar Maximums on Essential Health Benefits:** While not a requirement for large group insured or self-insured plans to offer Essential Health Benefits in 2014, any non-grandfathered plan that does include a defined Essential Health Benefit that includes an annual dollar maximum will need to remove any and all annual maximums from the EHB benefit category.