



IMPORTANT NOTICE

January 31, 2011

RE: DMEPOS Services for BMC HealthNet Plan Members

Dear Provider:

As communicated in Boston Medical Center HealthNet Plan's (the Plan's) letter to durable medical equipment, prosthetic, orthotic and medical supply (DMEPOS) providers dated December 15, 2010, the Plan has decided to partner with Northwood, Inc. (Northwood) to manage DMEPOS services provided by the following provider types for all Plan members, beginning April 1, 2011:

- Durable medical equipment providers
- Emergency response providers
- Wig providers
- Breast prosthesis providers
- Medical supply providers
- Pharmacy providers (who distribute/dispense DMEPOS)
- Orthotics/prosthetics providers
- Oxygen/respiratory equipment providers
- Speech generating device providers
- Ocular prosthetic providers
- Mobility providers
- Home infusion providers*
- Home care providers*
- Specialty pharmacy providers*
- Sleep study providers**

* Exception: When these provider types bill for medical supplies and equipment related to infusion/parenteral/tube fed nutrition, BMC HealthNet Plan is responsible to manage/pay for those supplies/equipment/claims.

** Exception: When this provider type bills for professional studies supporting sleep services, BMC HealthNet Plan is responsible to manage/pay those services/claims.

Effective April 1, Northwood's policies will apply to DMEPOS services and providers managed by Northwood. For BMC HealthNet Plan-managed services, the Plan's policies will apply.

Under this new partnership, Northwood will be responsible for administering a full range of services, including:

- Prior authorization of DMEPOS (details follow)
- Claims processing and adjudication (details follow)
- Member and provider services related to DMEPOS requests
- Data reporting
- Provider contracting, credentialing and management
- Provider inquiries, grievances and appeals



Process for Existing Authorizations provided by BMC HealthNet Plan*

Existing DMEPOS authorizations provided by BMC HealthNet Plan <u>with an end date prior to April 1, 2011</u>	The Plan will continue to manage these existing authorizations. Providers should continue to follow all applicable policies and procedures in the Plan’s Provider Manual (available at bmchp.org).
Existing DMEPOS authorizations provided by BMC HealthNet Plan <u>with an end date after April 1, 2011</u>	<ul style="list-style-type: none"> ○ All previously Plan-authorized DMEPOS requests with an end date <u>after</u> April 1, 2011 will be honored by Northwood through the time period authorized by the Plan. ○ If a provider wants to extend the end date authorized by the Plan beyond that time period, providers must contact Northwood on or after April 1 to request such extension.

Process for submitting new DMEPOS authorization requests beginning February 1, 2011 through March 31, 2011*

New DMEPOS requests received and authorized by BMC HealthNet Plan <u>during the period February 1, 2011 through March 31, 2011</u>	Plan authorizations will be effective through April 30 to allow for a smooth transition to Northwood’s management.
New DMEPOS requests <u>beginning on or after April 1, 2011</u>	<ul style="list-style-type: none"> ○ Providers will be required to obtain prior authorization <u>from Northwood</u> for all DMEPOS requests. Prior authorization approvals will be based upon Northwood’s clinical criteria. Providers may access Northwood’s clinical criteria by contacting Northwood at 866-802-6471. ○ Northwood’s claims payment policies require the submission to Northwood of a Northwood authorization number. Failure to obtain an authorization from Northwood for these services will result in a claim denial.

Process for submitting authorization requests to Northwood beginning April 1, 2011*

- Regular business hours – Providers may submit prior authorization requests by phone or fax. (Northwood’s contact information will be available to providers at bmchp.org as of March 1, 2011 – see the “Additional information going forward” section below.) Northwood will be available Monday through Friday, 8:30 a.m. to 5:00 p.m. EST.
- After-hours – Providers are required to obtain authorizations for urgent/emergent requests occurring after-hours and on weekends and holidays on the next regularly scheduled business



day following the date of service. Northwood has designated on-call Benefit Coordinators to provide members and providers 24/7 access for emergent/urgent after-hours and/or weekend and holiday services.

- Multiple prior authorization requests – Northwood Benefit Coordinators will process multiple prior authorization requests, within reason, in a single phone call. For convenience, providers may fax multiple (batch) prior authorizations to Northwood for processing.
- Required information when requesting authorization
 - Provider ID number.
 - Member name/address/telephone
 - Member BMC HealthNet Plan ID number
 - Referral source/telephone
 - Other insurance information (if any)
 - Diagnosis(es) – ICD-9-CM code(s) and description(s)
 - Date of service
 - Primary care provider
 - Level II HCPCS Code
 - Description of product /service
 - Service type (purchase or rental)
 - Quantity
 - Duration of need
 - Prescription
 - Additional supporting clinical information
- Northwood’s authorization and time frames requirements – If the provider has all necessary medical information and the member meets clinical criteria, the authorization will be processed in real-time by a Northwood Benefit Coordinator. Authorization requests requiring additional information will be referred to Northwood’s Case Review department for additional review. If the request does not meet the clinical criteria, the request will be referred to BMC HealthNet Plan’s Utilization Management staff for final review and determination. All utilization management decisions will be rendered in accordance with state or other applicable regulations Lengths of authorizations will vary based upon service type and medical necessity.
- Note that, as with all authorizations, an authorization is not a guarantee of coverage or payment. Further, it is the provider’s responsibility to verify member eligibility and co-payment information on a monthly basis. Payment by Northwood is always contingent on the member’s eligibility and benefits on the date of service. Northwood is not responsible for paying for DMEPOS provided to members whose coverage has changed or terminated.

Submitting claims

Northwood is developing a DMEPOS provider network based on those providers currently contracted with the Plan. During the remaining term of your Plan contract, or under your contract with Northwood (if you enter into a contract with Northwood) to provide DMEPOS services and supplies for dates of service on or after April 1, the following Northwood claims submission rules apply:

- Claims for Plan MassHealth and Commonwealth Care members receiving DMEPOS services must be submitted to Northwood electronically or on a CMS 1500 (paper) claim form.



Submit paper claims with the required medical and other carrier payment documentation to the following address:

Northwood, Inc.
Attn: BMCHP Claims
P.O. Box 510
Warren, Michigan 48090-0510

- For dates of service on or after April 1, **do not** submit claims for DMEPOS services directly to BMC HealthNet Plan. If you do, the Plan will deny those claims.

- Information on claims:

Paper claims

Providers submitting paper claims must use the CMS 1500 claim form. The CMS 1500 claim form must be completed in its entirety and include the following additional information:

- Member's BMC HealthNet Plan ID number
- Northwood's authorization number
- Primary care physician's written order (prescription) including NPI number. Northwood only requires prescriptions to be attached to the initial claim, when an expired prescription is renewed, or when there is a change in prescription.
- Attached Explanation of Benefits for secondary claims
- Manufacturer's name, description and product number documented in Box 19 of the CMS claim form for not otherwise classified (NOC) items

Electronic claims

Electronic claims must be completed according to HIPPA 837 transaction requirements detailed on Northwood's website - northwoodinc.com.

- Not otherwise classified (NOC) claims must be submitted in hard copy (CMS 1500 claim form).
 - Secondary claims must be submitted in hard copy and include the Explanation of Benefits.
 - Providers submitting electronic claims must maintain a valid prescription in their files prior to dispensing products/services and be available upon audit.
- The claim filing time limit is 150 days from the date of service.
 - Northwood will process and remit payment for clean claims within 30 days of receipt.
 - Northwood's Claim Status Form is included in Northwood's Provider Manual for BMC HealthNet Plan and will be accessible at northwoodinc.com. Claim Status Forms must be submitted to Northwood within 90 days from claim payment date.
 - Claim denial – If payment is other than anticipated or to appeal a denial of a claim for other reasons, submit a completed Claim Status Form in Section XII of the Northwood Provider Manual within 90 days of the date of Northwood's remittance voucher and include the following:
 - Copy of the original claim
 - Supporting documentation
 - Northwood's remittance voucher
 - Shipping, handling and sales tax are not eligible for separate reimbursement.



- From time to time Northwood may be required to request a refund from the provider for reasons such as retroactive terminations, coordination of benefits, eligibility changes, etc. Northwood provides a written request form with the refund explanation, amount, check run, check date and amount paid. Providers have up to 60 days from request date to remit refunds, or Northwood may deduct outstanding balances from future payments.

Additional information going forward

On March 1, BMC HealthNet Plan will have available an updated version of the information in this letter on the Providers page of the Plan's website, bmchp.org, which will include:

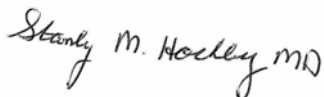
- Contact information for Northwood, including authorization submission contacts
- Answers to frequently asked questions

On March 1, Northwood will begin distributing the Provider Manual for the BMC HealthNet Plan program to current BMC HealthNet Plan providers and Northwood contracted providers. For additional copies, please contact Debbie Cutlip at 800-447-9599, x3703 or by email at debbieac@northwoodinc.com.

Questions...

- regarding authorizations for dates of service on or after April 1, 2011, call Northwood at 866-802-6471.
- regarding contracting with Northwood, contact Debbie Cutlip, Provider Relations Manager at Northwood, at 586-755-3830 or 800-447-9599, x3703, or by email at debbieac@northwoodinc.com.
- regarding Northwood prior authorization and claims processes, call Northwood at 866-802-6471.
- regarding your BMC HealthNet Plan contract, call your Plan Provider Relations Representative or call the Plan at 888-566-0008.
- regarding existing authorizations, call BMC HealthNet Plan at 888-566-0008.

Yours truly,



Stanley Hochberg
Chief Medical Officer
BMC HealthNet Plan

*Note: Previously approved DMEPOS authorizations will be honored through the earlier of either the authorization end date or the Plan contract termination date for any Plan-contracted providers who have not entered into a contract with Northwood.

