



Blue Cross Blue Shield of Michigan

Update: “Embracing Change”
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BCBSM Update

- ▶ National Healthcare Reform
- ▶ State of Michigan Regulatory Reform
- ▶ Autism Mandate
- ▶ Direct Pay Initiative
- ▶ Medical Policy: Cognitive Rehabilitation Services

National Healthcare Reform



- ▶ Will require massive changes at BCBSM impacting:
 1. Coverage
 2. Benefits
 3. Members
 4. Providers
 5. Customers



National Health Care Reform

- ▶ Five Key Goals for HCR:
 1. **Expand health care coverage**
 2. Protect those with insurance and maintain their rights
 3. **Ensure that a basic set of benefits is available through different coverage options**
 4. **Deal with high health care costs and make health insurance more affordable**
 5. Pay for these health reforms through taxes and fees.



National Health Care Reform

COVERAGE

- ▶ Extend dependent coverage to 26
- ▶ Prohibit pre-existing conditions
- ▶ Prohibit lifetime and annual dollar limits
- ▶ 35–50 million new insured citizens
- ▶ Coverage options: Exchange

National Health Care Reform



ESSENTIAL BENEFITS

Essential health benefits are currently broadly defined under ACA as the following categories: **ambulatory patient services; emergency services; hospitalization; maternity and newborn care; mental health and substance abuse disorder services; including behavioral health treatment; prescription drugs; rehabilitative and habilitative services and devices; laboratory services; preventive and wellness services and chronic disease management; and pediatric services, including oral and vision care.**

National Health Care Reform



- ▶ Habilitative and Rehabilitative Care
- ▶ Maintenance and Optimization of Function vs. Treatment
- ▶ Benefit Implication for BCBSM
- ▶ Speech and language pathology services have historically been provided for conditions that can be significantly improved in a reasonable and generally predictable period of time (usually about six months). Going forward, after NHCR, covered services must also: **seek to optimize the developmental potential of the patient and/or maintain the patient's level of functioning.**





National Health Care Reform

Member and Provider Impacts

- ▶ Increased transparency in appeals process
- ▶ Enforced timeframes for appeal handling
- ▶ Access to peer to peer sessions
- ▶ Access to external Independent Review Organizations for appeals



Michigan Regulatory Reform

- ▶ New State Law reorganizes BCBSM:
“Mutualization”
- ▶ New non profit mutual insurance entity planned for January 1, 2014
- ▶ Clearer, more consistent and balanced regulatory environment
- ▶ All health plans will be regulated under same law: fairer to all



Michigan Regulatory Reform

BCBSM:

- ▶ Will now pay State and Local taxes
- ▶ Will remain a non profit company
- ▶ Will no longer have “most favored nation” clauses in hospital contracts
- ▶ Will continue to support a “social mission” (1.8 billion over 10 years)
- ▶ Will continue to offer Medigap Plan



Michigan Regulatory Reform

WHAT WILL NOT CHANGE?

Reorganization Will Not:

- ▶ affect benefit offerings
- ▶ affect collaborative relationship with providers
- ▶ negatively affect subscribers

Autism Mandate



Effective October 15, 2012, the State of Michigan mandated expansion of coverage of services for the diagnosis and treatment of Autism Spectrum Disorders:

- ▶ Autism
- ▶ Asperger's Disease
- ▶ Pervasive Developmental Disorder

Autism Mandate



MANDATE INCLUDES BENEFITS FOR:

- ▶ **Applied Behavior Analysis (ABA)**
- ▶ Physical Therapy, Occupational Therapy, Speech and Language Pathology Services
- ▶ Nutritional Counseling
- ▶ Other Mental Health Services to Diagnose and Treat
- ▶ Other Medical Services to Diagnose and Treat



Autism Mandate

BENEFIT DETAILS:

- ▶ Same co-pays and deductibles for current policy
- ▶ Treatment ages 0–18 years
- ▶ Annual dollar limits*: \$50,000.00 (overall)
- ▶ Prior Authorization (reg business vs Individ vs BCN)
- ▶ ABA only covered within State of Michigan

Autism Mandate



- ▶ Autism Mandated benefits do not affect standard ST/PT/OT benefits available
- ▶ Not age restricted
- ▶ Not for diagnosis of Autism, per se.
- ▶ Have historically not considered chronic diagnoses payable
- ▶ Habilitation---Rehabilitation



Direct Reimbursement Initiative

- ▶ Effective January 1, 2012
- ▶ May directly reimburse “Qualified” ISLPs for services delivered within their Scope of Practice
- ▶ May register by using “Certificate of Clinical Competency” in lieu of licensure for now.
- ▶ Must be licensed by 12/7/2013.
- ▶ So far: 63 ISLPs are enrolled

Cognitive Rehab Services



- ▶ Complex/Inpatient Cases Often Combine Multiple Services
- ▶ Specific/Explicit Requests for Exclusively Cognitive Services Have Been Denied
- ▶ Exception: SLP Services for Cognitive Conditions Affecting Speech, Language or Voice

Cognitive Rehab Services



- ▶ August 2012, the Joint Uniform Medical Policy Committee reviewed Cognitive Rehabilitation Therapy
- ▶ Decision: CRT was approved as an “Established” therapy for two Diagnostic Indications:
 - Closed Head Injury, and
 - Stroke.

Cognitive Rehab Services



CPT: 97532—Development of cognitive skills to improve attention, memory, problem solving, (inclusive of compensatory training), direct (one on one) patient contact by the provider, each 15 minutes.

Cognitive Rehab Services



- ▶ Will be considered payable within benefit limits of standard rehab coverage
- ▶ Effective: July, 2013
- ▶ Only payable for underwritten groups for now
- ▶ BCN will not cover at this time: Considered benefit exclusion

BCBSM Update



- ▶ 2012 has been a Remarkable and Challenging Year!
- ▶ 2013 Promises To Be More of The Same!

THANK YOU

: “Nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association”