

Blue Update

A quarterly publication for our customer groups.

October/Fourth Quarter 2007

HMO Update – Corporate Restructuring

Effective October 1, 2007, group contracts for HMO coverage with HMO New Mexico, Inc., (HMONM), including HMO Blue®, will be assumed by Blue Cross and Blue Shield of New Mexico, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company (BCBSNM). This means that BCBSNM is responsible for the contractual obligations of HMONM under the group contract. All other

terms and conditions of our HMO plans remain the same, including but not limited to premiums, co-payments, network, and benefits (with the exception of changes related to a contract renewal that an employer may elect to make).

This administrative change is part of our ongoing focus on administrative cost efficiencies. HMO members will receive new ID cards, with an explanation about

this change. They should begin using the new card as of October 1. If you have any questions about this information, please don't hesitate to contact your BCBSNM Account Executive. Again, this change should be relatively seamless to your employees, other than receiving the new cards. Contact information, processes, and benefits are not affected by this corporate structure change.

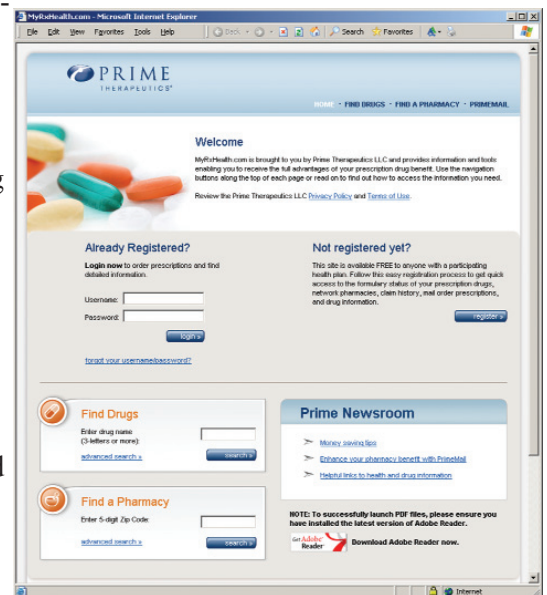
New and Enhanced Features on MyRxHealth.com

Prime Therapeutics (our pharmacy benefits manager) launched an updated version of their website, MyRxHealth.com. In addition to a new site design, members with BCBSNM pharmacy benefits can log in to Blue Access® for Members, go to *My Coverage – Rx Drugs*, and select *Prime Therapeutics* to access these features on MyRxHealth.com:

- **News and Perspectives:** Get news about prescription drugs and access printable coupons for over-the-counter medications.
- **Drug Search:** Members can create a list of the drugs they take, including the form, strength, and monthly quantity. This list, called a Drug List, will allow them to easily gather the following information:
 - **Formulary Status:** Build and check their entire Drug List for formulary status at once. When searching for brand-name drugs, the generic equivalent will always be provided in addition to the brand-name drug.

- **Drug Interactions:** Select up to three drugs from their Drug List to check for adverse drug interactions.
- **Drug Information:** When viewing a Drug List, each drug name will display as a link that the member can click on to find more information about the drug.
- **Drug Pricing:** The Cost Calculator has been replaced with a new Drug Pricing feature that allows BCBSNM members to simultaneously calculate the costs of multiple drugs from their Drug List or from the Formulary Status page. It utilizes a member's benefit design; specific pharmacy network; and drug form, strength, and quantity. Prices for both retail pharmacy and PrimeMail Pharmacy mail-order service will be provided, and the savings associated with using PrimeMail will also be displayed. The most recent retail pharmacy the member has visited will be

used to calculate retail prices. Members may change the retail pharmacy to view prices of other pharmacies as well.



**Blue Cross and Blue Shield
of New Mexico**

How healthy can you get?™

Route to:

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Patient Clinical Summary – New Feature of the Personal Health Manager

Effective August 24, 2007, the Patient Clinical Summary (PCS) became available through the online Personal Health Manager for BCBSNM members (unless you have selected a different health management vendor for your employees).

The PCS gives your employees a user-friendly “snapshot” of their medical histories, based on medical, laboratory, and prescription drug claims, that they can print and share with their physi-

cians. The PCS complies with all HIPAA and state regulations.

Members can access the PCS by following these simple steps:

- Log in to Blue Access for Members
- Click on *Personal Health Manager*
- Choose the *Menu* tab
- Click on *My Clinical Summary*

Blue Care Advisors working with members in care management programs can also access the PCS as an

additional source of information about the member. The PCS is also available to physicians, giving health care providers quick access to medical information about the member. This information can help providers make faster, more accurate decisions that can lead to better outcomes.

Contact your account representative for more information about the PCS, Personal Health Manager, and Blue Care® Connection.

Fighting Health Care Fraud Takes Team Effort

Health care fraud, a problem that amounts to an estimated \$54 billion annually according to the National Health Care Anti-Fraud Association, can be reduced and even prevented through heightened awareness. BCBSNM is committed to detecting and halting health care fraud.

As part of HCSC, we maintain an aggressive Special Investigations Department (SID), staffed by insurance experts, former law enforcement personnel, data analysts, and a medical director. SID identifies and investigates cases of suspected fraud and refers for prosecution individuals or companies defrauding BCBSNM or our client groups.

Following are several fraud patterns identified during recent investigations and what you can do to help.

Billing for “Free” Screenings and Services Not Provided:

Several allergy clinics have been the subject of SID investigations. In one case, a provider associated with an allergy clinic has been indicted for billing “free” allergy screening tests, performing unnecessary allergy testing, and billing for allergen shots that were either never provided or for greater quantities than were given. Members should be alert to offers of “free” medical testing if their insurance information is requested. Such offers should not be billed to insurance.

Incorrect Coding: Based on data analysis and subsequent investigations, a number of cases have been identified showing a pattern of chiropractors using physical therapy codes to bill for chiropractic services not covered by a member’s benefits and/or if the maximum benefit has been met. It is important for members to understand the types of chiropractic services covered by their benefits as well as the maximum level of coverage.

Unnecessary Diagnostics Performed By Inappropriate Personnel:

Based on a fraud scheme investigated by BCBSNM’s SID and its counterpart at Blue Cross and Blue Shield of Illinois, a group of affiliated companies are the subject of a temporary restraining order filed by the Illinois Attorney General’s Office. These entities provided unnecessary diagnostic tests administered by inadequately trained technicians to patients of podiatrists and chiropractors, and subsequently billed for these unneeded services or resubmitted altered claims that had been previously denied. Members can help avoid unnecessary diagnostics by asking why a specific test is being performed, by whom, and how the results will be used in managing their condition.

What Employers Can Do: If you or an employee suspects an instance of health care fraud, report it to the BCBSNM Fraud Hotline at (800) 543-0867. You can also:

- Make employees aware of the vast scope and cost impact of health care fraud and that they pay for fraudulent activity through higher premiums and copayments.
- Participate in the BCBSNM fraud awareness training program at bcbsnm.com/sid. Consider putting the training program on your company’s website and offering incentives to employees who view the program.
- If you are a self-insured company, remind employees that committing fraud in conjunction with their health insurance – for example, agreeing to undergo unnecessary procedures in exchange for cash or free cosmetic procedures – is committing fraud against their employer. ASO groups might consider including language in their personnel policies that details sanctions for any employee determined to have engaged in health care fraud associated with benefits provided by the company.

Your Privacy with Blue Cross and Blue Shield of New Mexico

THIS NOTICE REQUIRES NO ACTIONS ON YOUR PART. IT IS DESIGNED TO HELP YOU UNDERSTAND HOW WE PROTECT YOUR PERSONAL INFORMATION.

Your private records and those of your covered family members are safe with Blue Cross and Blue Shield of New Mexico. The company has a longstanding policy that maintains the confidentiality of the personal data necessary to administer insurance and to provide service. As you know, many companies sell the names of customers to others. We at Blue Cross and Blue Shield of New Mexico and our affiliates do not sell or rent your name or your records to any other organization or business concern.

Confidentiality and security

Blue Cross and Blue Shield has set out strict policies and procedures to protect the confidentiality of personal information. We also maintain physical, electronic, and procedural safeguards to protect personal data from unauthorized access and unanticipated threats or hazards.

Information that may be collected

Information is provided by you on application, claim, and other forms. We also have personal information from your transactions with us, such as information about your policies, premiums, and claims. This information may come by telephone, in writing, or through a computer. In addition, we may receive information from your health care providers through the course of managing insurance transactions or from our affiliates or others, e.g., insurance administrators, consultants, etc., which may be doing work for Blue Cross and Blue Shield.

Independent insurance agents

The independent insurance agents authorized to sell Blue Cross and Blue Shield products and the products of our affiliates are not employees. Your agent may have access to information needed to provide service to you. Since this agent is subject to the same privacy laws that govern us, this agent may have privacy obligations to you that are independent of ours.

Information we may disclose

Blue Cross and Blue Shield regards all personal information as confidential. We will not disclose your personal information unless we are allowed or required by law to make the disclosure or if you tell us we can. These disclosures are generally made to our affiliates, administrators, consultants, and regulatory or governmental authorities. We may also disclose information as necessary to administer your health plan, pay claims and, as necessary, effect transactions in the ordinary course of our business. Our affiliates are subject to the same policies regarding privacy of our information as we are.

Blue Cross and Blue Shield sometimes works with outside firms to help with services and marketing. As permitted by law, these firms may use certain identifying and nonmedical information. It is our policy to require outside firms to make a written pledge to maintain the confidentiality of the personal information and abide by all applicable privacy laws. These firms are prohibited from using or disclosing personal information for any purpose other than the work they are performing or as required by law.

Even if your relationship with us ends, the company is pledged to maintain its privacy policy and practices so that your privacy will be protected.

If you have any questions about our privacy policy, please write to us at:

HCSC PRIVACY OFFICE

P.O. Box 804836

Chicago, IL 60680-4110

This notice is provided on behalf of:

Blue Cross and Blue Shield of New Mexico, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association.

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For billing inquiries, call 800-414-7147

**Past issues of *Blue Update*
 are available on bcbsnm.com.**

Provider Network Updates

Heart Hospital of New Mexico
 The Heart Hospital of New Mexico was named a Blue Distinction CenterSM for Cardiac Care. Heart Hospital services include comprehensive cardiology and cardiovascular surgery, community and patient education, and cardiac rehabilitation.

Blue Distinction is a Blue Cross and Blue Shield nationwide program. The process used to select Blue Distinction Centers is based on clinical data. Each facility’s structure, processes, and care outcomes are rigorously evaluated.

Lovelace Westside Hospital Renovations
 Lovelace Westside Hospital opened its renovated second-floor North Wing in January 2007. The 10,000-square-foot renovation added 21 inpatient beds.



**Blue Cross and Blue Shield
of New Mexico**

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