

Information
for pharmacists
about Blue Cross
Blue Shield
of Michigan's
Medicare Advantage
private fee-for-service
products

Here is information that may
be helpful to you, based
on questions pharmacists
frequently ask.



Blue Cross Blue Shield of Michigan
bcbsm.com/ma

Q. Customers have come into the pharmacy with Blue Cross Blue Shield of Michigan ID cards that we do not recognize. Some say Medicare Plus BlueSM; others show the regular BCBSM logo, but say Medicare Advantage PFFS; and some say Prescription BlueSM. What is the difference between these cards?

- Medicare Plus Blue is BCBSM's Medicare Advantage private fee-for-service plan for individual members. These members have both medical and Part D prescription drug coverage.
- We also offer group private fee-for-service plans, such as Medicare Plus Blue GroupSM and the Michigan Public School Employees Retirement System Medicare Advantage plan. Members in the MPERS plan have both medical and Part D prescription drug coverage. ID cards for group plans include both the BCBSM logo and the Medicare Advantage PFFS logo.
- Prescription Blue is a BCBSM freestanding, or stand-alone, Medicare Part D product that only covers prescription drugs. Members with Prescription Blue ID cards do not have coverage under any BCBSM Medicare Advantage private fee-for-service plan. Members may have coverage for medical services through another health care carrier.

All plans use a pharmacy network and drug formulary.

Visit bcbsm.com/ma for additional information and for our terms and conditions.

Q. Are BCBSM's Medicare Advantage products HMOs?

All BCBSM Medicare Advantage plans are private fee-for-service plans with no local Blues contracting requirements. There are two benefit areas that require networks, but these are not HMO networks:

- A nationwide pharmacy network for Part D drugs.
- A DME/P&O and medical supply network for Medicare Plus Blue members in Michigan. Although many providers are part of this network, Medicare Plus Blue members have the freedom to visit an out-of-network, but deemed provider and still receive coverage for services. Members of group plans, such as MPERS, are not subject to network requirements.

You can confirm this by calling **800-MEDICARE** (633-4227) or checking our CMS plan code (H2319) online at cms.hhs.gov/HealthPlansGenInfo/Downloads/claims_processing_20060120.pdf*. CMS has also issued a Medicare Learning Network alert on this subject. See cms.hhs.gov/MLNMattersArticles/downloads/mm5349.pdf*.

Note: A BCBSM subsidiary, Blue Care Network of Michigan, does offer a Medicare Advantage HMO plan.

Q. What services do pharmacies usually provide for members with Medicare Advantage private fee-for-service plans?

Our BCBSM Medicare Advantage private fee-for-service members may turn to their pharmacies for Part D drugs, diabetic supplies, durable medical equipment, DME supply drugs and drugs covered under Original Medicare Part B.

*BCBSM does not control this Web site or endorse its general content.



Q. How can I determine whether a drug is covered under Part B or Part D?

Check the following Web site for a Centers for Medicare & Medicaid Services explanation about Part B and Part D drugs: [cms.hhs.gov/PrescriptionDrugCovContra/Downloads/BvsDCoverage_07.27.05.pdf](https://www.cms.gov/PrescriptionDrugCovContra/Downloads/BvsDCoverage_07.27.05.pdf)*

Q. Are diabetic supplies covered under Part B or Part D?

Diabetic supplies, such as glucometers, lancets and other testing supplies, are covered under Part B and have DME regional carrier jurisdiction. Insulin and injection supplies are covered under Part D.

Q. I do not have a contract to participate with your Medicare Advantage private fee-for-service plans. Can I still provide services to Medicare Advantage members?

Members in a Medicare Advantage private fee-for-service plan may receive care from any provider in the United States who is eligible to be paid under Medicare rules and agrees to become a “deemed” provider. Pharmacists who agree to become deemed providers can render services covered under Medicare Part B.

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Q. How can I become a deemed provider?

A deemed provider is one who:

- Is state-licensed and eligible to receive (or already has) a valid Medicare number
- Is aware in advance of rendering services that the member is enrolled in our Medicare Advantage private fee-for-service plan
- Has reasonable access to BCBSM's Medicare Advantage terms and conditions. You can find the terms and conditions online at bcbsm.com/ma.
- Provides services to the member

Once a provider meets these conditions and renders service to a BCBSM Medicare Advantage member, the provider is considered deemed for that member for that episode of care and must follow the plan's terms and conditions of participation.

Q. Once I render Part B services to a BCBSM Medicare Advantage member, am I required to provide services to all BCBSM Medicare Advantage private fee-for-service members?

A decision to treat a specific private fee-for-service member does not require you to treat the same member again or to treat another Medicare Advantage member from this or any other plan.

Q. How will you reimburse me for Part B services provided to Medicare Plus Blue members? Direct contracting providers:

For Medicare Plus Blue members in Michigan, BCBSM has a network for DME/P&O, medical supplies and Part B drugs that are subject to DME regional carrier jurisdiction.

- This network is administered by ABP Administration and does not currently apply to groups with Medicare Advantage coverage.
- Network providers in Michigan rendering services to Medicare Plus Blue members are reimbursed at the contracted amount determined by ABP Administration. The fee schedule is available online at bcbsm.com/ma/pdf/ABP_2007_fee_schedule.pdf.

Deemed contracting, or deemed, providers:

- Per CMS regulations, deemed contracting providers in Michigan who provide DME/P&O, medical supplies and Part B drugs to Medicare Plus Blue members are reimbursed at the same rate as Michigan network providers who contract with ABP Administration.
- However, deemed contracting providers are considered non-network providers for Medicare Plus Blue members.
- Medicare Plus Blue members have a 50 percent coinsurance for most DME/P&O and medical supplies provided by deemed contracting providers.
- No copayment is required for diabetic supplies, DME supply drugs (those covered as a supply necessary for the DME to function) or Part B drugs.

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Q. How will you reimburse me for Part B services provided to group Medicare Advantage members

Group Medicare Advantage members, such as Michigan Public School Employees Retirement System, must receive services from providers who deem to be contracted under our Medicare Advantage plan.

Reimbursement for services with DME regional carrier jurisdiction is based on applicable CMS amounts. The DME regional carrier fee schedule can be referenced at cms.hhs.gov/DMEPOSFeeSched/LSDMEPOSFEE/list.asp#TopOfPage*.

More reimbursement information

Drugs covered under Part D are reimbursed according to pharmacy network rules.

Providers may collect only the applicable cost-sharing amounts from members and may not otherwise charge or bill members.

See our terms and conditions at bcbsm.com/ma for more details.

Q. What are members' cost-sharing requirements?

Category	Medicare Plus Blue Cost-Sharing		MPSERS Cost-Sharing
	Direct Contracting (network) Providers	Deemed Contracting Providers	Deemed Contracting Providers
Diabetic supplies	No copayment	No copayment	No coinsurance
DME supply drugs	No copayment	No copayment	No coinsurance
Part B drugs	No copayment	No copayment	10% coinsurance after the \$250 deductible has been met
DME	No copayment	50% coinsurance	No coinsurance
P&O	No copayment	50% coinsurance	No coinsurance
Supplies	No copayment	50% coinsurance	No coinsurance

Q. How do I determine how much to charge a Medicare Plus Blue member?

Payment rates for services that are handled by ABP Administration can be found at bcbsm.com/ma/pdf/ABP_2007_fee_schedule.pdf.

Medicare Plus Blue members are responsible for 50 percent of the ABP payment rate for DME/P&O and supplies when they receive services from a deemed, but non-network, provider.

Diabetic supplies, Part B drugs and DME supply drugs are covered at 100 percent of the ABP payment rate.

Q. How do I determine how much to charge a MPSERS member for Part B drugs, since they are subject to coinsurance and deductible requirements?

Pharmacists can bill their local Blue plan or ABP Administration and then bill the member based on the cost-sharing information included on the remittance advice.

Q. Can I receive a pre-service determination for a Part B drug with DME regional carrier jurisdiction?

ABP Administration has developed a pre-service determination form that you can use to obtain a first-time claim authorization number. Please contact ABP Administration at **888-828-7858**.



Q. How do I bill for DME/P&O, medical supplies or Part B drugs?

When providing durable medical equipment, prosthetic and orthotic appliances, medical supplies or Part B drugs, check the CMS jurisdiction list at [cms.hhs.gov/transmittals/downloads/R893CP.pdf](https://www.cms.hhs.gov/transmittals/downloads/R893CP.pdf)* and use the corresponding DME Medicare supplier number on your claims.

Send claims reporting HCPCS codes with DME regional carrier jurisdiction to:

Medicare Advantage
ABP Administration
P.O. Box 81700
Rochester, MI 48308-1700

Q. Where do I send claims with DME local carrier jurisdiction?

Send claims reporting HCPCS codes with local carrier jurisdiction to your local Blue plan.

CMS-1500 billing instructions are available in the *What's New?* section of [bcbsm.com/ma](https://www.bcbsm.com/ma).

This chart will help you submit your paper claim to the right address:

CMS jurisdiction	Send claims to ...
All providers (For HCPCS codes with DME regional carrier jurisdiction)	Medicare Advantage ABP Administration P.O. Box 81700 Rochester, MI 48308-1700
Michigan providers (For HCPCS codes with local carrier jurisdiction)	Medicare Advantage Blue Cross Blue Shield of Michigan P.O. Box 440 Southfield, MI 48037-0440
Providers outside Michigan (For HCPCS codes with local carrier jurisdiction)	Send the claim to your local Blue plan.

Michigan providers can contact the BCBSM EDI department at **800-542-0945** for information on submitting electronic claims in the ANSI 837 format for Part B services with local carrier jurisdiction.

We are currently developing electronic claim submission capabilities for services with DME regional carrier jurisdiction. ABP Administration will accept paper CMS-1500 claims until this capability is ready.

Q. What happens if I try to send a claim for a service with DME regional carrier jurisdiction to my local Blue plan?

You will receive a rejection that says, "The services need to be submitted to ABP Administration, Medicare Advantage, P.O. Box 81700, Rochester, MI 48308-1700 for processing."

Q. Where can I find your drug formulary, information about drug maximum quantity limits or step therapy?

All of this information can be found in our drug formulary at bcbsm.com/medicare/formulary.shtml.

Q. Where can I look for more details?

On the Medicare Advantage portion of our Web site, bcbsm.com/ma, we include our terms and conditions and information about reimbursement, deeming, benefits, appeals and more.

Call your local Blue plan or BCBSM's Medicare Advantage provider call center at **866-309-1719** for more information on Part B services.

Call ABP Administration at **888-828-7858** for questions regarding Part B drugs or other services with DME regional carrier jurisdiction.



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Prescription **Blue**SM

