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MEDICA®

February 2021

 MEDICA CONNECTIONS®

For Medica network providers

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## GENERAL NEWS

### Latest on COVID-19: Coverage, billing for vaccinations and treatments

*(This applies to Medica leased-network providers as well as direct-contracted providers.)*

Medica has recently made several changes to adjust member coverage, provider billing and administrative requirements related to COVID-19. The latest changes include:

- Coverage and billing details regarding vaccinations and outpatient drug treatments
- An extension of coverage for inpatient hospital care, telemedicine and testing
- An extension of the waiver of certain administrative requirements
- An extension of the sequestration suspension for Medicare claims

Full coverage and billing details on vaccinations and outpatient drug treatments are outlined in a new reimbursement policy, “Drug Treatment and Vaccinations for COVID-19.” This includes an overview of how the U.S. Food and Drug Administration (FDA) has issued emergency use authorizations (EUAs) for monoclonal antibody drugs to treat COVID-19. This new policy includes codes, payment amounts and coverage criteria for the various drugs, such as the vaccines recently developed by Pfizer and Moderna. [See the latest COVID-19 policy](#).

As a reminder, for the latest about ongoing COVID-19 changes, refer to [the COVID-19 provider FAQ](#).

(Update to “Medica makes administrative, coverage, payment changes due to COVID-19” article in the [May 2020 edition](#) of *Medica Connections*, on page 1.)

# PHARMACY NEWS

Effective April 1, 2021:

## Medica tentatively plans to update MHCP member drug list

*(This applies to Medica leased-network providers as well as direct-contracted providers.)*

Medica expects to make upcoming changes in coverage status to the 2021 Medica List of Covered Drugs for Minnesota Health Care Programs (MHCP), effective April 1, 2021. Any such changes are determined by the Minnesota Department of Human Services (DHS) since Medica follows the DHS drug list. As with all Minnesota managed care organizations (MCOs) that follow the DHS drug list for MHCP patients, DHS provides Medica with advance notice of changes to the drug list, which Medica **posts as soon as possible to Medica.com**.

The Medica MHCP drug list applies to the following products: Medica Choice Care<sup>SM</sup> (for Minnesota Senior Care Plus program, or MSC+), Medica AccessAbility Solution<sup>®</sup> (for Special Needs Basic Care program, or SNBC) and both Medica DUAL Solution<sup>®</sup> (for Minnesota Senior Health Options program, or MSHO) and Medica AccessAbility Solution Enhanced, for non-Part D drugs. Any changes will *not* apply to Medica Medicare Part D drug formularies.

Effective April 1, 2021:

## Medica to add new drug UM policy for Mayo Medical Plan

*(This applies to Medica leased-network providers as well as direct-contracted providers.)*

Medica will soon implement the following new medical pharmacy drug utilization management (UM) policy for Mayo Medical Plan members. This change will be effective with April 1, 2021, dates of service. Prior authorization will be required for the corresponding medical pharmacy drug.

### Medical pharmacy drug UM policies — New

*Prior authorization will be required.*

Drug code	Drug brand name	Drug generic name
J9039	Blinicyto	blinatumomab

The new medical pharmacy drug UM policy above for Mayo Medical Plan members will be available online or on hard copy:

- [View drug management policies](#) as of April 1; or
- Call the Medica Provider Literature Request Line for printed copies of documents.

Effective February 1, 2021:

## Upcoming changes to Medica Part D drug formularies

*(This applies to Medica leased-network providers as well as direct-contracted providers.)*

Medica posts changes to its Part D drug formularies on Medica.com 60 days prior to the effective date of change. The latest lists will notify Medicare enrollees of drugs that will either be removed from the Medica Part D formulary or be subject to a change in preferred or tiered cost-sharing status effective February 1, 2021. Medica also notifies affected Medica members in their Medicare Part D Explanation of Benefits (EOB) statements mailed out monthly.

As of February 1, 2021, [view the latest Medicare Part D drug formulary changes](#).

Medica periodically makes changes to its Medicare Part D formularies: the Medicare Part D Closed Formulary and the Medica DUAL Solution<sup>®</sup> and Medica AccessAbility Solution<sup>®</sup> Enhanced List of Covered Drugs. The Medica Medicare Part D drug formularies are available online or on paper:

- [View Medica formularies.](#)
- [Download formularies for free at epocrates.com.](#)
- Call the Medica Provider Literature Request Line for printed copies of documents.

### Medication request forms

A medication request form should be used when requesting a formulary exception. It is important to fill out the form as completely as possible and to cite which medications have been tried and failed. This includes the dosages used and the identified reason for failure (e.g., side effects or lack of efficacy). The more complete the information provided, the quicker the review, with less likelihood of Medica needing to request more information. To request formulary exceptions, providers can submit an exception form or call Express Scripts.

## NETWORK NEWS

Effective April 1, 2021:

### Medica to make quarterly update to Medicare fee schedules

*(This applies to Medica direct-contracted providers only.)*

Effective with April 1, 2021, dates of service, Medica will implement the quarterly update to its Medicare physician fee schedules for applicable Medica products. This fee schedule change will implement updates from the Centers for Medicare and Medicaid Services (CMS) and have an impact on home infusion therapy and public health agency providers, as well as physicians. Medica will make these updates within 30 days of the CMS quarterly files becoming publicly available. By day 10 after each effective date, in order to keep these quarterly updates timely, Medica will move ahead and post updated Medicare rates with the files CMS has published at that time.

This fee schedule change incorporates CMS relative value units (RVUs) and conversion factor as well as various Medicare non-RVU fee maximums (such as labs, injections, immunizations, etc.). In addition, Medica will update its Medicare fee schedules with rates for codes without a fee maximum established. Overall reimbursement for providers will depend on specialty and mix of services provided.

Details on Medicare changes to drug fees, which typically see the greatest impact from these quarterly CMS updates, **are available online from CMS**. Providers who have further questions may contact their Medica contract manager.

Effective April 1, 2021:

### Medica to implement commercial fee schedule updates

*(This applies to Medica direct-contracted providers only.)*

Effective April 1, 2021, Medica will implement standard fee schedule updates for commercial products in both its metro and regional service areas. While these updates will reflect an aggregate increase to physician reimbursement overall, the effect on individual reimbursement will vary by specialty and mix of services provided.

Various fees for services without an assigned Centers for Medicare and Medicaid Services (CMS) relative value unit (RVU) will also be updated. Examples of these services include labs, supplies/durable medical equipment (DME), injectable drugs, and immunizations. This non-RVU update will also have an impact on physician reimbursement that will vary based on specialty and mix of services provided.

Medica will apply CMS-based RVU methodology where applicable. The CMS Medicare physician RVU file (National/Carrier) **is available online from CMS**.

Providers who have questions may contact their Medica contract manager.

Effective April 1, 2021:

## Medica to make quarterly update to reference lab fee schedule

*(This applies to Medica direct-contracted providers only.)*

Effective with April 1, 2021, dates of service, or as soon thereafter as the CMS quarterly reference lab fee schedule updates are publicly available, Medica will implement the next quarterly update to its standard reference lab fee schedule, for all Medica products. This quarterly update will reflect any applicable Centers for Medicare and Medicaid Services (CMS) reference lab code or fee schedule updates that are effective April 1, 2021. The reimbursement impact of this CMS quarterly update will vary based on mix of services provided.

Details on Medicare changes to lab fees **are available online from CMS**. Providers who have further questions may contact their Medica contract manager.

## Third-quarter PCR checks to be mailed in February 2021

*(This applies to Medica direct-contracted providers only.)*

By early February 2021, Medica plans to mail to eligible providers the physician contingency reserve (PCR) payment for the third quarter of 2020. This represents a 100-percent return of the third-quarter 2020 PCR withhold, plus interest, for the Medica Prime Solution® (Medicare Cost) product. Checks will cover PCR withheld for claims with dates of service of July 1, 2020, through September 30, 2020, and dates paid of July 1, 2020, through December 31, 2020.

# ADMINISTRATIVE NEWS

Self-service resources:

## Featured this month: Keeping demographics up-to-date

Keeping demographic data up-to-date ensures accuracy for Medica's systems and provider directories. It is also a critical factor for accurate and timely claims payment! Providers should be sure to confirm that their provider-specific demographics are correct and current with Medica. If any changes are needed, follow the process to make updates through the Provider Demographic-update Online Tool (PDOT) **in the secure portal** or take steps **outlined on Medica.com**.



## Provider administrative training topic featured for February

*(This applies to Medica leased-network providers as well as direct-contracted providers.)*

Medica offers educational sessions on various administrative topics. The following class is available for all Medica network providers, at no charge. It is a recorded training presentation posted to Medica.com, accessible at any time.

### Training class topic

"Life of a Claim"

Understanding all three components of a clean claim—submission, process and output—is important to ensure proper

payment. This training will review all three claim stages in order to show how they work together to facilitate the proper processing of Medica claims. It will focus on claim submission policies and requirements; 837P and 837I electronic transactions; provider remittance advices (PRAs) and explanations of payment (EOPs); common denial reasons; and how to request claim adjustments and appeals.

[Take this provider training.](#)

## Inpatient notification EDI transaction now available for MHPS, MA

*(This applies to Medica leased-network providers as well as direct-contracted providers.)*

Effective January 1, 2021, Medica has expanded the functionality of its inpatient notification transaction available electronically through clearinghouses or directly with Availity, Medica's electronic data interchange (EDI) vendor. This 278N transaction is newly available for Medica Health Plan Solutions<sup>SM</sup> (MHPS) membership, using payer ID 71890, as well as for Medica's Medicare Advantage (MA) membership, using payer ID MEDM1. The new functionality with this real-time transaction should help speed up notification for patient hospitalizations and help ensure accurate payment of inpatient claims for these members.

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