

**Physician Advisory Committee Meeting Summary
October 12-13, 2007 – Boston, Massachusetts**

PAC Members in attendance:	
Samuel Nussbaum, MD	Verna Gibbs, MD
Alan London, MD	Richard Tuck, MD
Simeon Schwartz, MD	David Bernard, MD
Mitchell Miller, MD	Andrew Cheng, MD
Theodore Mazer, MD	David Blumenthal, MD
Robert Berenson, MD	

PAC Members unable to attend:	
Jeffrey Linzer, MD	David Welsh, MD
Hector Flores, MD	

WellPoint staff in attendance:	
Victoria Kalicki	Christina McGovern
David Krause	David Prugh
Amy Sansbury	

Topics and Discussion:

1. New Members

As the result of the settlement of the *Thomas* case by Empire Blue Cross Blue Shield, two new members, Dr. David Bernard and Dr. Andrew Cheng, both of New York, joined the WellPoint Physician Advisory Committee. The Physician Advisory Charter was updated to reflect the new members.

While discussing the change in the Charter, the committee requested the Charter also be updated to describe how minutes from the meetings would be communicated (e.g., posted on the Internet), and asked that a copy of the previous meeting's minutes be included as part of the meeting materials on a going forward basis.

2. Provider Satisfaction Survey Results/Bridging the Trust Gap

A presentation was made regarding the results of WellPoint's 2006 Provider Satisfaction Survey, provoking substantial, thoughtful discussion. A formal recommendation was made as the result of this discussion:

A qualitative/quantitative review of the average physician's "WellPoint experience" needs to be undertaken by WellPoint, so that WellPoint can better understand the issues faced by network physicians. For example, WellPoint believes that its local medical directors are a key to establishing and maintaining good relationships with network physicians, and expects its local medical directors to be available to network physicians for telephonic or written communication. Some PAC members believe WellPoint's local medical directors are unavailable or rarely available to network physicians and therefore recommends that WellPoint audit its medical directors' performance in this regard. A suggestion was made to perform the audit in a "secret shopper" format. It was also recommended that WellPoint propose other metrics by which it can be measured for the next PAC meeting.

The Provider Satisfaction discussion also included comments regarding BlueCard issues. These comments were regarding physician's offices being unsure which plan's medical policy is applicable to out-of-state member's policy and/or benefit plan. A BlueCard representative will be invited to a future meeting to discuss these issues.

3. Retail Clinics

Dr. Nussbaum provided an update on WellPoint's contracting strategy related to retail-based clinics and discussion among the committee members followed. It was concluded that WellPoint provide a broadly based analysis (including types of services, quality, and comparative costs) when considering whether the retail clinic model is beneficial. It was also agreed that ultimately, primary care physicians need to be more consumer-centric (e.g., have office hours that cater to the work schedules of the patient, etc.).

4. Old Business

Vaccine Reimbursement

Dave Prugh provided an update on the work being performed by WellPoint in response to recommendations made by the committee relative to payment for vaccines and their administration. Mr. Prugh reminded the committee that WellPoint has embraced as guiding principles the following:

WellPoint recognizes the vital role that vaccines play in preventive health services. We believe that physicians should be paid fairly for the acquisition of vaccines and for the administration of vaccines. Since providers generally pay similar rates for drugs and the management of those drugs, a significant variation in vaccine reimbursement does not make sense.

Mr. Prugh advised the committee that each state would assure their rates for vaccines are at or above independent, third party recommendations. Where applicable, fees would also reflect state subsidization factors. Mr. Prugh also advised that vaccine administration fees would be set in each state and that the fees would be fair and reasonable based on criteria from objective, independent sources. Since these changes could necessitate fee schedule adjustments, fee changes for both would be implemented over the next 12 months in the different WellPoint plans.

WellPoint is committed to continuing to work with third party purchasing cooperatives to provide physicians a mechanism for obtaining vaccines at a reasonable cost. In the meantime, Mr. Prugh explained that communications regarding the availability of these cooperatives have been initiated.

The committee was disappointed that more specific pricing information wasn't being shared, and were concerned that the basis for determining the administration fee could be subjective. The committee proposed that WellPoint use RBRVS as the floor for pricing the administration component. Mr. Prugh committed to responding to the committee regarding the dollar amounts being considered for the administration component.

After Hours Codes

At the last committee meeting, WellPoint was asked to propose a consistent strategy for reimbursement of "extended hour" codes (e.g. CPT® 99050 and 99051). Mr. Prugh shared WellPoint's strategy which is in the process of being implemented:

Throughout the enterprise, WellPoint will pay for 99050 when billed with an "office" place of service. WellPoint will not pay for 99051.

Other Edits

Some committee members felt that issues involving other edits that were raised in earlier meetings had not been adequately addressed. These included: Modifier 79/post-op care, Ear wax removal/E&M, intramuscular injection/E&M with modifier for same diagnosis, wart removal/E&M with modifier. WellPoint was also asked to research whether we would pay for E&M/neck mass, and whether we pay for 99058. The committee was reminded that WellPoint is obligated to publish all code combinations involving Modifier

25 that it has decided not to pay separately. Furthermore, WellPoint also must publish its "significant edits" (e.g. bundled /denied more than 250/year in any state) on the Internet.

The committee asked that WellPoint provide it with a list of the codes using modifier 25 that are bundled or denied, and the rationale for our position.

The committee also asked that we research our rapid flu test reimbursement on a state by state basis.

Existing State Physician Committees

A list of each state's/region's committees that have external physician representation was distributed, along with a brief description of each committee's purpose. After discussion, it was agreed that WellPoint should strive for state-based physician relations committees whose agendas include topics that address the business climate/opportunities within the state, provider issues, new UM/medical policy/prescription drug rule changes and other similar items. Dr. Nussbaum agreed to report to the committee whether WellPoint's existing state-based committees fulfill this need, or can be reformatted to be more effective.

5. Consistent Application of Edits

Dave Prugh explained WellPoint's plans to integrate an independent claims editor into existing WellPoint claims platforms. A by-product of this editor will be consistent editing across the enterprise with limited exceptions that are primarily driven by state mandates. Decisions regarding edits are being made by an enterprise committee that includes medical directors and employees who are certified coders. The initial implementation of the editor is scheduled for first quarter 2008, and is intended to be implemented throughout WellPoint in 2009.

6. Strategies to Support Primary Care Physicians

The committee acknowledged that the specialty of primary care is eroding. Dr. Nussbaum described the "patient centered medical home" concept currently being considered as an effort to "support" primary care. He described requirements for the patient-centered medical home and potential reimbursement strategies to support effective, high quality, coordinated care. After much discussion, the committee concluded that there may need to be some short term and long term strategies to address this issue. Changes need to be made in reimbursement mechanisms, as well as the manner in which primary care is practiced.

7. Standing Items

Medical Policy Updates

A list of new medical policies and changes to existing medical policies that became effective from 5/7/2007 through September 21, 2007 was distributed to the committee.

Recommendation review

The committee confirmed that one recommendation was made during the meeting (set forth in Item 2 of these meeting minutes).

8. Adjournment/Next Meeting

The next meeting is scheduled for December 7-- 8, 2007.