# PODIATRY

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This chapter contains information about the special reimbursement program for podiatry services provided by designated providers. In addition to applicable members/benefit plans, you will find information on policies and procedures, payment, reimbursement and claims.

## MARKET SHARE PAYMENT PROGRAM FOR PODIATRY SERVICES OVERVIEW

In order to streamline the payment system, all podiatrists participating in this program are reimbursed under the Market Share Payment (MSP) program methodology.

The MSP methodology affords numerous advantages, such as:

- Monthly payments that normalize cash flow
- Simplified billing based on global payments for new patient referrals
- Increased opportunities for improved efficiencies

Under MSP, practitioners receive a point each month for each new member referral (as identified by submitted claims) which translates to a global payment covering six months of professional services rendered. This covers the initial visit, as well as any subsequent procedures performed by the podiatrist for the same member. If, at the end of six months, the practitioner is still treating the member, the cycle starts over and the practitioner receives another point and another six-month payment for that member.

All professional services rendered are covered under MSP, including, but not limited to, diagnostic tests, surgery, in-patient care, surgical follow-ups, office care and office procedures.

## APPLICABLE MEMBERS/BENEFIT PLANS

The following members have been selected to participate in the Market Share Payment Podiatry Program. Their member ID cards and our website will show either HIP or HealthCare Partners as the assigned managing entity.

- HMO/HIP*access*® I
- Point of Service/HIP*access*® II
- Child Health Plus
- Medicare
- Medicaid

All members whose care is managed by Montefiore Medical Group (CMO), even if they have one of the above-listed benefits plans (see the member's ID or eligibility information on **www.emblemhealth.com** to determine if CMO is responsible for a member's care), have been excluded from the Podiatry Program.

In addition, if a member has selected a PCP assigned to one of the following physician group practices (see the member's ID), they will be excluded from this program's requirements.

The excluded physician group practices are:

- AdvantageCare Physicians* (fka, Manhattan's Physicians Group, Preferred Health Partners, Queens-Long Island Medical Group, Staten Island Physician Practice)
- St. Barnabas Hospital
- HealthCare Partners* (center ID 14HH)
- Union Health Center (center ID 14UN)

* Under some circumstances, podiatrists affiliated with this physician group practice may be included in the reimbursement program.

The information captured in this section only applies to these members. All other members for all other EmblemHealth benefit plans are reimbursed in accordance with their contracted fee schedule in the same way as they are for all other services.

## POLICIES AND PROCEDURES

Even though we register podiatry patients and administer payments differently under the alternate MSP program, standard EmblemHealth policy shall apply with regards to the following areas:

- Referrals*
- Prior approvals
- Claims submissions
- Benefit coverage
- On-call coverage
- Non-covered services
- Collection of copayments and coinsurance
- Checking member ID cards

* Note that podiatry specialists cannot refer directly to other podiatry specialists. Patients who require a referral to another podiatrist must be directed back to their PCP for evaluation and additional referral. This requirement includes referrals for second opinions.

Please refer to your participating provider contract, and the **Care Management** and **Your Plan Members** chapters of this manual for more details.

## IDENTIFICATION OF HIGH-SEVERITY PATIENTS

Podiatry claims are reviewed monthly to determine if a member is, or has become, a high-severity patient. A high-severity patient is one for whom, during the time period of a valid contact point, a singular procedure was performed, among others, and such single service equals or exceeds 11.72 relative value units (RVUs) as defined by Medicare and geographically adjusted to New York City.

## PAYMENT FOR HIGH SEVERITY PATIENTS

Should a member be deemed a high-severity patient, additional points will be awarded to the participating podiatrist once during each member's six-month period and shall be reported on the monthly EmblemHealth remittance advice. If high-severity service occurs after the first month of payment, a payment adjustment will be made during the month the qualifying claim is

processed.

The additional points schedule is subject to change with notification to participating podiatrists. As of January 2009, the Market Share Payment program's schedule is:

| Highest Single Procedure RVUs | |
|---|---|
| 0-11.71 | 1 Contact Point |
| 11.72 or more | 5 Contact Points Case Maximum |

## REQUESTS FOR EXCEPTIONAL CASE REVIEW

Exceptional cases are members whose podiatric services present a high degree of severity or complexity and/or require significant frequency of service or volume of care within their respective six-month periods. Payments must have been previously adjudicated under the Market Share Payment (MSP) program in order to be reviewed and reclassified as exceptional.

MSP participating podiatrists who wish to have a case reviewed for this determination must submit the following supporting documentation:

- Cover letter providing detail to support adjustment request
- Copy of previously submitted claim form
- Clinical notes
- Radiological and operative reports

The above information may be sent to:

EmblemHealth
Edward Saxer
Co-Chairman, Podiatry Professional Advisory Committee
55 Water Street
New York, NY 10041-8190

The Podiatry Professional Advisory Committee (PAC), a panel composed of professional EmblemHealth staff and practitioners from the New York podiatric community, will review qualifying cases during each of the committee's quarterly meetings. Podiatrists will be told the outcome of their request within a reasonable timeframe thereafter.

## CLAIMS SUBMISSION GUIDELINES

Practitioners should continue submitting ALL claims, as usual, on the standard CMS 1500 form in the current electronic or paper format. Claims are still required for payment under the Market Share Payment program and, if applicable, for any services paid on a fee-for-service basis. In addition, it is necessary to continue submitting all claims data to ensure additional consideration is given for high-severity patients and general program monitoring.

For more information regarding standard claims submission guidelines, including electronic

submission and coding, please refer to the **Claims** chapter of this manual and/or your participating provider agreement.

## CLAIMS SUBMISSION TIME PERIOD AND PAYMENT TURNAROUND

Participating practitioners will receive payments for Market Share Points on or near the 25th of each month for claims processed by the end of the prior month. Claims processed after the last day of the month will be included in the following month, provided they are submitted within the contractual timeframes.

The initial date of service on a submitted claim will determine when the time period begins for the Market Share Payment episode of care, regardless of the EmblemHealth processing date.

## POSTING PROCEDURE FOR PARTICIPATING PRACTITIONERS

Please note that the following posting procedures for your accounts receivable are recommended for your use. Actual accounting policies for each practitioner's office may differ.

**Collection of Patient Liabilities (Copayments, Coinsurance Amounts)**
Under the Market Share Payment program, office staff should collect any copayment, coinsurance and other applicable fees for service payments from patients. In addition, any coordination of benefits information should be collected from the patient. Office staff will need to post the amounts collected from the patient.

**Upon Receipt of Remittance Advice**
A remittance advice is a financial statement that EmblemHealth sends to practitioners to reconcile accounts, explain approved charges, and review claims disbursements and member payment responsibilities. Each advice statement should be reviewed in order to determine that all submitted claims have been processed and that action has been taken on these claims.

For patients generating Market Share Program payments, a remittance advice will be sent showing the amount paid and the original claim that generated the creation of a Market Share Point. Adjustments made to these payment amounts after the original payment processing will be included on a new remittance advice.

**When Services Are Provided to Patients Under a Market Share Payment Contact Point**
All patient service claims provided during each member's Market Share Payment program six-month time period will generate a remittance advice from EmblemHealth indicating that the patient services were compensated under a previous contact point and will reference the claim that generated the original Market Share Payment. The participating podiatrist, as previously paid in full, should write off these subsequent services.

## REIMBURSEMENT CALCULATIONS

**NOTE:** The examples hereunder are for illustrative purposes only. Actual numbers will differ and will vary by month.

**Determination of the Professional Podiatry Care Fund Amount**

Each month, EmblemHealth determines the amount of the Professional Podiatry Care Fund (PPCF) for all lines of business based on a number of financial variables.

| CURRENT MONTH POOL FUNDING | |
|---|---|
| Medicare Budget | $2.40 |
| Number of Enrollees | 50,000 |
| Gross Fund Amount (Monthly) | $120,000 |
| Deductions from Fund (Illustrative Only) | |
| - Non-Par* | $15,000 |
| Total Deductions | $15,000 |
| | |
| Current Month Net Available for Distribution | $105,000 |

* Services provided by non-participating podiatrists will be deducted from the Market Share Payment pool.

**Determination of the Market Share Payment Value**

Market Share Payment values are determined by the historical average costs for all unique patient cases within a specialty. Adjustments may be made to the average case cost for fee-for-service exclusions and other situations. For example:

| | |
|---|---|
| **$2,200,000** | Annual Total Podiatry Cost |
| **$500,000** | Nonparticipating Provider Costs |
| **$500,000** | Other Medical Costs |
| **$1,200,000** | Net Annual Historical Podiatry Costs |

* Illustrative Only

If there were 12,000 unique patient cases reported by all podiatry providers in the previous 12 months, then the average patient case would cost $100 ($1.2M divided by 12,000 cases).

Note: The Net Annual Historical Podiatry Cost and number of unique patient cases (reported by all practitioners) are calculated on a 12-month rolling average basis. As such, the average patient case cost (in this example, $100) will go up or down depending on the cost and case activity of the previous rolling 12 months. Any differences in the patient case cost will be reflected as an adjustment to the next month's payment.

**Determination of Individual Physician Payment**

For illustration purposes:

1. Each month, a point is assigned to the podiatrist each time a unique patient is seen by the podiatrist. In January, Dr. Health saw three new patients.
   **3 New Patient Cases = 3 Points for Dr. Health**
   **1,000 New Patient Cases for all participating podiatrists during the month of January**

2. Each month, EmblemHealth determines the amount of the Professional Podiatry Care Fund (PPCF) for all lines of business. For this example, let's say the pool has been allocated $100,000 in January.

3. The amount paid to the podiatrist each month is based on the practitioner's individual points divided by the total points of all practitioners and multiplied by the available dollars in the pool. Dr. Health's payment for January would look something like this:

| Practitioner's Points | / | Total Points (All Practitioners) | x | Total Pool | = | Total Practitioner Payment |
|---|---|---|---|---|---|---|
| **3** | / | **1,000** | x | **$100,000** | = | **$300 Total Market Share Payment** |

In months where the practitioner serves unique patients in addition to previously treated patients, the payment structure may look something like this. For example, let's say Dr. Health takes on one new case in February while still treating his three January patients:

| **February** | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | January | February | Period-to-Date | | | |
| (1) Total Pool | | $100,000 | $100,000 | $200,000 | | | |
| (2) New Patient Cases (All Practitioners) | | 1,000 | 950 | 1,950 | | | |
| (3) Dr. Health's New Patient Cases | | 3 | 1 | 4 | | | |
| (4) Market Share Payment Value | | $100 | $105.26 | $102.63 (avg to date) | | | |
| **Practitioner** | **Patient** | **(a) January Points** | **(b) New February Points** | **(c) Period-to-Date Points (=a+b)** | **(d) Period-to-Date Patient Value (=4, average)** | **(e) Compensation through Prior Period*** | **(f) Net Due February (=d-e)** |
| **Dr. Health** | | | | | | | |
| | Patient 1 | 1.0 | 0.0 | 1.0 | $102.63 | $100.00 | $2.63 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Patient 2 | 0.0 | 1.0 | 1.0 | $102.63 | $0.00 | $102.63 |
| | Patient 3 | 1.0 | 0.0 | 1.0 | $102.63 | $100.00 | $2.63 |
| | Patient 4 | 1.0 | 0.0 | 1.0 | $102.63 | $100.00 | $2.63 |
| | **Total Dr. H** | **3.0** | **1.0** | **4.0** | **$410.52** | **$300.00** | **$110.52** |

## QUALITY MANAGEMENT

To ensure appropriate patient care management, EmblemHealth performs periodic quality assurance reviews which may include practice pattern review, review of medical records, monitoring of referrals, review of specific clinical indicators, monitoring for over/under utilization and outliers, peer review, and other measures as determined by the EmblemHealth medical management committees and the Podiatry Professional Advisory Committee.

EmblemHealth will also generate monthly reports profiling utilization by a podiatrist to ensure proper treatment of patients. We encourage practitioners to discuss their utilization information with our Medical Director, as well as with appropriate representatives from the Podiatry Professional Advisory Committee.

For additional information regarding the Quality Management Program, please refer to the **Quality Improvement** chapter of this manual.

## ROLE OF THE PODIATRY PROFESSIONAL ADVISORY COMMITTEE

EmblemHealth works with participating specialists to ensure the fairness and integrity of the Market Share Payment program. To provide an appropriate forum for practitioner input, we have established the Podiatry Professional Advisory Committee (PAC), a panel composed of professional EmblemHealth staff members, as well as peers from the New York podiatric community. The PAC supports the EmblemHealth Quality Improvement Department and Medical Director. The PAC's responsibilities include:

- Reviewing the clinical results of the program
- Recommending process improvement initiatives
- Providing unbiased explanation of program to peers
- Encouraging dialogue between EmblemHealth and practitioners
- Facilitating practitioner education
- Establishing appropriate community standards of care
- Creating a functioning peer review process
- Encouraging and helping the development of clinical quality indicators
- Monitoring specialty-specific quality metrics
- Reviewing specific cases to determine if they meet exceptional case criteria

# EMBLEMHEALTH MARKET SHARE PAYMENT REMITTANCE ADVICE FIELD EXPLANATIONS

| | |
|---|---|
| **Provider Name** | The "pay to" provider's name. Box 33 of the CMS 1500. |
| **Remit** | Remit number (number assigned to remittance statement). |
| **Check Number** | Check number. |
| **Check Date** | Check date. |
| **Servicing Provider** | Practitioner rendering the service. Box 31 of the CMS 1500. |
| **Provider License Number** | EmblemHealth provider ID. |
| **Patient Name** | Member name on claim (patient name). |
| **ID** | Member ID. |
| **Subscriber** | Name of member (policy holder). |
| **Case Number** | The number assigned to the first claim submitted. |
| **Initial Contact Date** | Date that triggers contact period. (Same as initial date of service.) |
| **Contact Point** | Point assignment for new patient encounter. Can include additional points earned for high-intensity patients even if those services are performed in subsequent months. This field is located between contact point and case amount field. |
| **Case Amount** | Initial case payment. |
| **Claim Number** | Claim number of submitted claim. |
| **Begin DOS** | Date of service on submitted claim. |
| **Procedure code** | CPT code. |
| **Modifier** | CPT modifier. |
| **Current Case Payment** | Amount reflected in check, which could be initial case payment, adjustments due to point value changes and/or adjustments due to additional RVU points assigned to a case. |
| **Prior Case Payment** | All payments excluding current case payment and initial case payment. |
| **Net Case Payment** | Current value of case payment. (Will also reflect payment deductions due to voided claims.) |

| | |
|---|---|
| **Provider Total** | Accumulation of all current case payments for each servicing provider. |
| **Affiliate Total** | Accumulation of all current case payments for each tax ID. Several servicing practitioner totals may make up the affiliate total. |
| **Page Totals** | Sum of current case payments on each page. |
| **Begin Recoupment Balance** | Starting balance of negative adjustments. |
| **Amount Recouped This Cycle** | Recoupment of negative adjustments for present cycle. |
| **New Recoupment Balance** | Outstanding balance after recoupment of present cycle. |
| **Amount Processed Current Cycle** | Sum of current case payments. |
| **Amount Recouped This Cycle** | Recoupment of balance from previous cycle. |
| **Check Amount** | Net dollar amount reflected in check. |

## TERMINATION FROM THE PROGRAM

If the podiatrist discontinues patient care prior to the expiration of the six-month care period, the podiatrist still receives the full MSP. If there is a pattern of discontinuation of care, EmblemHealth may determine a reduced reimbursement amount for the practitioner.

Podiatrists who do not wish to participate under MSP shall have the option of terminating their agreement with HIP upon 180 days written notice or as otherwise described in their provider agreement. Upon notice to EmblemHealth of intent to terminate, practitioners should no longer accept new members who are covered under this program and will be expected to provide ongoing care for existing patients until the completion of their current treatment plan. After termination, these practitioners should desist from rendering service to HIP members except for continuity of care requirements as outlined in the provider agreement.

For more information about the Market Share Payment program, please contact the Physician Contracting hotline at **1-866-447-9717.**