Reimbursement Policy designation of Professional or Facility application is respective to how the provider is contracted with The Plan. Provider contractual agreement terms in direct conflict with this Reimbursement Policy may supersede this Policy’s direction and regional applicability.

PURPOSE:

This policy is designed to provide direction on The Plan’s reimbursement for out-of-network (OON) services. OON reimbursement applies to claims where the submitting provider has not entered into a contractual arrangement with The Plan or appropriate BCBS licensee (within the service area where services are delivered) requiring the provider to accept the allowable reimbursement as “payment in full.” Reimbursement for OON services uses standard reimbursement methodologies to ensure adequate provider reimbursement is maintained for emergent and non-emergent services delivered by both In-Area out-of-network (OON) and Out-of-Area (OOA) out-of-network providers.

REIMBURSEMENT GUIDELINES:

OON reimbursement is applicable to any claim where the submitting provider is not contracted with the Plan or appropriate BCBS licensee (e.g. non-participating). OON reimbursement is subject to the member’s benefits as a covered or non-covered service and the member could be held liable for the difference between allowable and provider charge as indicated on the explanation of benefits (EOB; also known as “balance billing”). Some states regulate the occurrence of provider “balance billing.” Highmark reserves the right to price claim up to provider charges to comply with federal and state regulations.

Emergent services are reimbursed at the median of participating providers’ rates (DE law requires emergent claims to be paid at 100%tile of participating rates) and non-emergent services are reimbursed at the 0%tile\(^1\) of participating providers’ rates. For institutional providers, a prevailing methodology is

---

1. The 0%tile is calculated annually by performing statistical analysis of current participating facility providers contracted rates.
established based on a standard reimbursement methodology for each facility type. The calculation of the plan allowance is based on an adjusted contractual allowance for like services rendered by a “like” network provider in the same geographic region.

Facility prevailing rates (100%tile, median, and 0%tile) are annually calculated and updated by The Plan based on the current contracted rates dataset for each methodology. For out-of-area, OON claims not priced by the Host plan (e.g. local BCBS Licensee), Highmark will apply local pricing methodologies to arrive at a claims price, but will also apply regional geographic “cost of living” adjustment factors to the calculated price to arrive at a final geographically adjusted claim price.

For professional providers delivering non-emergent services, The Plan pays 75 percent of the applicable network fee schedule (In Area OON) or 100 percent of CMS rates (OOA OON), with one exception. The Plan will pay 100 percent of the applicable network fee schedule or CMS rates for the following benefit categories:

- Chemotherapy
- Immunizations
- Injections
- Pharmaceuticals

Note: The Administration codes for these benefit categories will be reimbursed at 75 percent of the applicable network fee schedule for non-emergent services.

Reimbursement Summary

Professional OON

- In-Area (Host)\(^1\)
  - Emergent Services: Median of Standard participating providers’ rates (100%tile in DE)**
  - Non-Emergent Services: 75% of Standard participating providers’ rates

- OOA (Home)\(^2\)
  - Highmark will accept recommended Host plan pricing unless default priced to charge; if no acceptable Host plan pricing is available ➔
  - Emergent Services: Median of Standard participating providers’ rates
  - Non-Emergent Services: CMS rates

Institutional/Facility OON

- In-Area (Host)
Emergent Services: Median of Standard participating providers’ rates (100%tile in DE)**

Non-Emergent Services: 0%tile of Standard participating providers’ rates

OOA (Home)*

- Highmark will accept recommended Host plan pricing unless default priced to charge; if no acceptable Host plan pricing is available ➔
- Emergent Services: Median of Standard participating providers’ rates
- Non-Emergent Services: 0%tile of Standard participating providers’ rates

*Note: OOA/Home reimbursement only applies when the Host Plan fails to provide pricing or the Host Plan pricing defaults to provider charges (not priced).

**Note: Delaware state regulations require The Plan to reimburse OON emergent services at the 100%tile of participating rates; the providers must be directly paid.

---

1. Host refers to BlueCard claims processing when another Blue plan’s member has services delivered within the Highmark service area.

2. Home refers to BlueCard claims processing when a Highmark member has services delivered from an OON provider in the service area of another BCBS licensee.

---

ADDITIONAL BILLING INFORMATION AND GUIDELINES:

Billing requirements are specific, follow established industry standards, and are strictly enforced. Failure to adhere to the required standards may result in claim denial until requirements are met. Reimbursement may be dependent upon medical policy, reimbursement policy, or other administrative policies depending on the specific situation and location of service delivery.

This is a standard reimbursement policy and other contractual agreements directing other reimbursement methods for OON claims may supersede this policy, as applicable.

REFERENCES:

- Keane, K. (July 26, 2017). Non-PAR emergency service claims pricing. Blue Cross Blue Shield Association memo.