

**BC/BS of Massachusetts / NEMED meeting  
Landmark Building, Boston, MA  
December 1, 2010 / 1:00 – 2:00 pm**

*Minutes were approved by BCBSMA for distribution on February 22, 2011*

Present: For BCBSMA - John Killion, Thomas Foley, Sean Sullivan, Odette Palmer-Lee  
For NEMED - Karyn Estrella

In addition to the questions below, Karyn provided an overview of the industry, competitive bidding and other challenges.

- 1) What was your goal for publishing the RFI?
  - a) To ensure high quality products at competitive pricing. We wanted to get feedback from our HME providers to get a better sense of the market. We have never done this before and are collecting information from other provider types as well, not just HME. We want to establish the best model that will work across the network. Once we have completed our review, we will meet with senior leadership at BCBSMA to present our findings. We are also looking at operational requirements, the possibility of revising provider conditions of participation. For example; administrative simplification (electronic claims submission; provider portal registration; Payspan).
- 2) Have you analyzed the responses to the RFI? What is the status? How many responses did you receive? Will you be releasing the names of the companies that responded?
  - a) We received a large number of responses and we are still in the process of reviewing them. Since this is an RFI and not an RFP, we will not be publishing the names of respondents.
- 3) Do you intend to reduce the number of providers in your network? If so, how many? Our members are anxious about this possibility. BC/BS of Florida drastically reduced their HME provider network last year and some companies went out of business when they lost their contract.
  - a) We are reviewing the information collected and have not made a decision at this time.
- 4) When do you plan to implement? What are the next steps? Do you have to go before the Division of Health Care Finance and Policy? If so, when? Will you be issuing an RFP?
  - a) We do not know if we will be publishing an RFP at this time. We are required to file our rates with the Division of Health Care Finance and Policy for our legacy Indemnity product.
- 5) Are you aware that for many pieces of equipment there is already an access issue? Changes in home oxygen deliveries were discussed.  
We have not received any complaints from our members
- 6) As you are reviewing your rates, are you looking at internet pricing?
  - a) Internet pricing varies dependent on products and devices. We are not focused on utilizing pricing from the internet.

- 7) Concerns about the capping of ventilators at 10 months after January 1<sup>st</sup>. No other payor caps this equipment. Discussion points: no details have been published; who would own the equipment after the cap; how would the FDA be able to continue tracking/handle recall notifications; how will repairs be handled?
  - a) We anticipate that the DME provider would retain ownership after the cap. A maintenance and service payment of one month rental would be paid every 6 months. We are aware of other payors that have capped this equipment and it has worked. Any HME provider who provides ventilators should call Odette Palmer-Lee at (800) 982-7727, ext. 65711 with any questions or concerns. We welcome provider feedback on this topic.

Karyn thanked them for a pleasant meeting and offered NEMED as a resource as they go through this process.