

**Division of Health Care Finance and Quality Improvement, AAP Private Payer Advocacy Update  
February 2006**

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**1. Name Change to PPA**

To more accurately reflect the scope of activities in the private payer arena, the AAP Board approved the recommendation to rename PSAAC to Private Payer Advocacy Advisory Committee (PPAAC). Private payer advocacy more readily identifies AAP advocacy efforts on pediatric and pediatrician's issues with private payers, including health plans and employers. The PSA Update will also reflect the name change and will be called Private Payer Advocacy (PPA) Update.

**2. PPA Update Survey - Your input is needed!**

Please take a few moments to tell us how we are doing. Click on the attached link to complete a survey on the AAP Private Payer Advocacy (formerly PSA) Update. The information will be shared with the PPAAC as it looks to enhance communication of PPA issues and activities. To complete the survey, click on:

<http://www.surveymonkey.com/s.asp?u=117791718834>

**3. Aetna responds favorably to AAP objections to bundling of newborn resuscitation with E/M service codes**

Aetna responded that it will now pay for CPT 99440 when billed concurrently with the E/M CPT codes 99293-99299 and that it will also pay for CPT code 99436 (attendance at delivery) when billed with the initial day neonatal critical care code (99295). Recently the AAP sent a letter objecting to Aetna's Clinical Edit that CPT code 99440 (newborn resuscitation; provision of positive pressure ventilation and/or chest compressions in the presence of acute inadequate ventilation and/or cardiac output) is considered incidental to E/M service and urged the carrier to discontinue its bundling practice. Attached is a copy of the [letter](#) and [Aetna's response](#). Copies of letters to carriers and their responses are posted on the AAP Member Center, private payer advocacy page.

**4. PPAAC Strategies for New Vaccines**

As a result of the recent FDA licensure of the new rotovirus vaccine (manufactured by Merck as RotaTeq™), recommendations from ACIP and AAP are expected over the next few months. To assist pediatricians in dealing with new vaccines, the PPAAC provided strategies for pediatricians as published in the February 2006 AAP Immunizations Initiatives Newsletter at

[http://www.cispimmunize.org/resour/pdf/February2006\\_enuwspdf](http://www.cispimmunize.org/resour/pdf/February2006_enuwspdf)

(scroll down to Pediatric Practice in Action on page 1)

**5. Vaccines for Children (VFC) eligibility under high deductible plans and buyers club programs**

It has been reported that pediatricians are being asked by families to provide VFC funded vaccines to those with high deductible plans or enrolled in a buyers club program. Since there are physician/VFC contract restrictions on providing VFC vaccine outside the target groups, pediatric practices should check first with their state VFC program. Per the VFC eligibility criteria, families with health insurance would not be eligible for VFC unless immunizations are not a covered benefit under the plan. The fact that the deductible has not been met would not make the family eligible for VFC. Pediatricians may consider printing the CDC/VFC eligibility criteria at

[http://www.cdc.gov/nip/vfc/Parent/eligible\\_children.htm](http://www.cdc.gov/nip/vfc/Parent/eligible_children.htm) to inform families. The attachment titled [VHC eligibility under HD and buyers club plans](#) includes eligibility clarification provided by CDC.

## **6. Letter To Carriers Regarding Rapid Flu Test**

Pediatricians are reporting varying health plan coverage and payment for office based rapid flu tests. To assist in appealing carrier denials and promote coverage and payment, the AAP has developed a letter that pediatricians and chapters may send to carriers. Attached is a copy of the letter as [Rapid flu test in physician office](#).

## **7. AAP responds to Anthem's comments on its pilot program for blending payments**

As reported in the December 2005 PSA update, the AAP issued a letter to Anthem concerning its pilot program in southern Ohio of paying the same rate for certain E/M services (CPT codes 99213/99214 and 99203/99204). The carrier responded that it believes this program addresses its need to control costs, fairly treat physicians and support the transition to computerized medical records. The Academy contends that blended payments is a form of bundling and that participation in programs like this should allow be voluntary and individual pediatricians should choose whether to participate in Anthem's blended rate program. In addition to responding to Anthem (see the attached letters [AAP Responds to Anthem](#) and [Anthem's response](#)) the AAP and Ohio Chapter are considering additional courses of action which will be reported in future PPA Updates.

## **8. Aetna Settlement Addendum**

As part of the settlement agreement, in late 2005, Aetna provided an addendum to its physician contracts outlining changes in its business practices. The complete addendum can be accessed at [http://www.hmosettlements.com/files/tbl\\_s5Documents/Upload27/391/ADDENDUMTOPARTICIPATINGPHYSICIAN.pdf](http://www.hmosettlements.com/files/tbl_s5Documents/Upload27/391/ADDENDUMTOPARTICIPATINGPHYSICIAN.pdf)

The Aetna Settlement Addendum:

- Provides definitions of clean claims and medical necessity
- No gag clauses, i.e, Aetna will not penalize or sanction a physician for engaging in any free, open and unrestricted communication with a plan member about the plan
- No plan participation requirements. Aetna will no require participating physicians to participate in all its products and while there may be incentives to participate in all plans, Aetna will not penalize the physician and will pay the standard fee for that geographic market (which shall be updated annually)
- Claims processing enhancements include payment of clean claims within 15 days for electronic submitted claims and 30 days for paper claims.
- There is a 24 month time frame for Aetna to request any overpayments. Pediatricians are encouraged to review their contracts with Aetna to verify they have a similar time frame to collect underpayments.

Additional information on the Aetna settlements as well as the settlements with the other national carriers can be accessed at: [www.hmosettlements.com](http://www.hmosettlements.com)

## **9. Hassle Factor Form Helps Identify, Solve Problems with Health Plans**

Check out the article on how the AAP Hassle Factor Form is being used to identify and solve problems with carriers. Click on the link below to access the February 2006 AAP News article:

<http://aapnews.aappublications.org/cgi/content/full/27/2/26>

*For information on AAP Private Payer Advocacy, including pediatric councils and the AAP Hassle Factor Form, contact Lou Terranova, Senior Health Policy Analyst at [lterranova@aap.org](mailto:lterranova@aap.org) or 800/433-9016 ext 7633.*