

With the termination of the settlement agreement, future compliance disputes against CIGNA will no longer be processed. For additional information see www.hmosettlements.com under latest news

New Compliance Facilitator for Aetna

Cameron Staples is replacing Deborah Winegard as the compliance dispute facilitator involving Aetna. In addition to processing Aetna compliance disputes, Mr. Staples is the compliance facilitator for Humana and HealthNet compliance disputes and can be reached at: cstaples@npmlaw.com For information on the settlement compliance dispute process, see www.hmosettlements.com and link to compliance.

UHC agrees to settlement

As part of a recent settlement agreement, UnitedHealthcare (UHC) will pay up to \$20 million dollars as restitution and commit to continued process improvements for claims payments. Several state insurance departments contended that UHC violated state laws related to appeals, grievances, and claims payment. The settlement will require UHC to meet certain customer service performance standards. This settlement is *not* part of the multi-district litigation against managed care plans resulting in settlements with Aetna, CIGNA, HealthNet, Humana, and Anthem/Wellpoint. In that case, a summary judgment ruling dismissed the federal RICO lawsuits against UHC.

2. Immunization Financing: Carriers reviewing payments

In response to continued advocacy efforts on immunization financing, the following carriers have provided the following information:

Aetna: Has formed a work group including Aetna Physician Advisory Board members H. Robert Harrison, MD, FAAP and Russell Libby, MD, FAAP to review its vaccine payments. Final recommendations are pending results of cost studies from the University of Michigan and the CDC.

Humana: Is expected to increase its payments for immunization administration by 2008. The carrier also has formed an internal group to review its vaccine payments.

Wellpoint: The Physician Advisory Committee which includes Jeffrey Linzer, MD, FAAP and Richard Tuck, MD, FAAP is reviewing a proposal for vaccine payments that would be above the vaccine cost and include a margin for waste and storage.

New tool to determine vaccine costs

To assist pediatricians in advocating for appropriate payment, the AAP developed the vaccine cost worksheet. This tool will enable pediatricians to know how much vaccines are costing them and use that information to negotiate for appropriate payment. The **Vaccine Cost Worksheet** is attached and can also be accessed on line at:

http://www.cispimmunize.org/pro/pdf/Vacc_survival_insert.pdf

The Vaccine Cost Worksheet is also included as a special insert in the September 2007 AAP News.

Letter to Carriers on Prevnar price increase

The AAP sent a letter to carriers informing them of the Prevnar price increase and urging them to update their payment platforms to reflect the increase. A copy of the letter is attached and is posted on the AAP Member Center, private payer advocacy page and any carrier responses will also be posted.

3. AAP notifies carriers of E-prescribing and EHR statements

The AAP shared with national carriers the recent statements on electronic prescribing and electronic health records for payers to support systems that include functions conducive to pediatrics. The statements include:

1. *Electronic Prescribing in Pediatrics: The Rationale and Functionality Requirements* (Policy Statement)
2. *Electronic Prescribing Systems in Pediatrics: The Rationale and Functionality Requirements* (Technical Report)
3. *Special Requirements of Electronic Health Record Systems in Pediatrics* (Clinical Report)

The letter also urges carriers to consider ways to facilitate implementation using positive incentives such as increased payments and pay-for-performance bonuses to physician practices that implement this technology.

4. Pediatric Council Forum and Carrier Medical Director Panel at NCE

As part of the AAP Section on Administration and Practice Management (SOAPM) Hot Topics session during the 2007 NCE in San Francisco, there will be a panel discussion featuring carrier medical directors followed by a pediatric council forum on Saturday, October 27th beginning at 3:00 pm. at the Westin St. Francis. Medical Directors from national carriers will be available to answer questions during a session from 3-4 pm.

AAP members interested in forming a pediatric council as well as pediatric council members and chapter private payer advocacy liaisons are encouraged to attend the pediatric council forum from 4-5 pm. Updates on forming a pediatric council and issues addressed by the AAP and chapters are highlighted and will include presentations from the pediatric councils in California, North Carolina and Rhode Island.

5. AAP News articles related to private payer issues

The September 2007 issue of AAP News features the following article related to private payer issues: (to read the article, click on the link below the title)

Pediatricians need to understand costs, benefits of real time claims adjudication

<http://aapnews.aappublications.org/cgi/content/full/28/9/1-a>

Price of Prevnar up 6.5%; Favorable terms available

<http://aapnews.aappublications.org/cgi/content/full/28/9/5>

For additional information on AAP private payer advocacy, contact Lou Terranova, Senior Health Policy Analyst at lterranova@aap.org or 800/433-9016 ext 7633.

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Δ description of the module is attached