

HEALTHSCRIPT

December 2006

A publication for HNE providers and their staff

HNE Recognized as One of the Nation's Best Health Plans

HNE is among the highest ranked health plans in the country, according to a national organization that ranks managed care companies based on their clinical performance, patient experience and satisfaction as well as their NCQA Accreditation status. The results were published in the November 6, 2006 edition of U.S. News & World Report magazine.

The National Committee for Quality Assurance (NCQA) has ranked HNE 15th in the country. The rankings, which include more than 246 commercial plans, are based on a combination of clinical performance, member satisfaction, and NCQA Accreditation status.

HNE also received the top score nationwide in post-natal care for the second consecutive year. This means HNE members received a post-partum visit at a greater rate than members of any other surveyed health plan in the United States.



The rankings were published as “America’s Best Health Plans 2006” in U.S. News & World Report and are available in the health section of the magazine’s website. “Exceptional rankings never come easily,” said Pat Scheer, HNE’s Quality Operations Manager. “The recognition that NCQA bestowed on our company is the result of hard work by the HNE associates and by the great physicians who participate in our network.”

NCQA is a private, non-profit organization dedicated to improving health care quality. NCQA accredits and certifies a wide range of health care organizations and manages the evolution of HEDIS®¹, the tool NCQA uses to measure and report on the performance of the nation’s health plans. For more information on NCQA, visit www.ncqa.org.

¹ HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA).



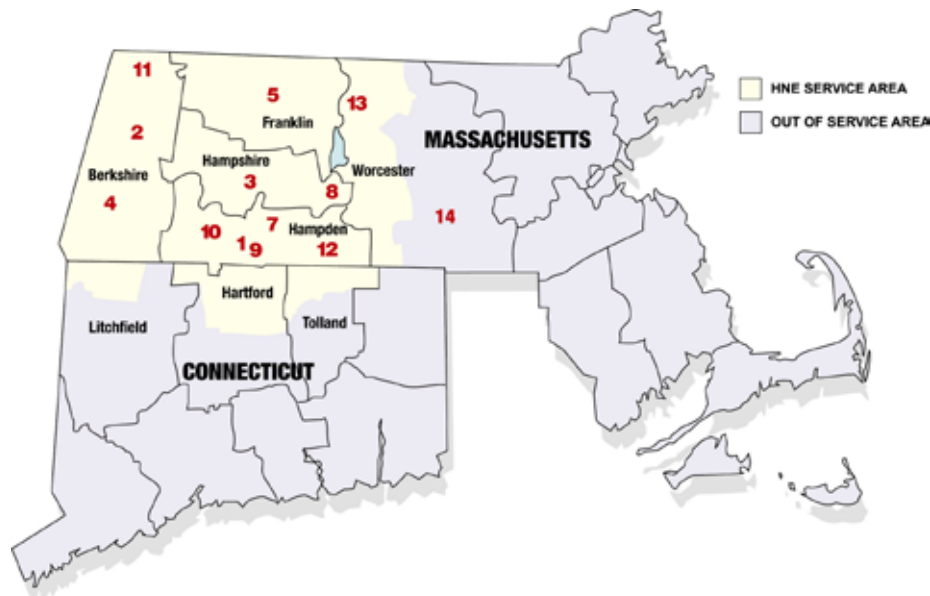
Health New England Expands Network

HNE has signed agreements with three key hospitals in Central Massachusetts. Beginning in October, UMass Memorial Medical Center in Worcester along with Wing Memorial Hospital in Palmer and its affiliated Medical Centers are participating providers in the HNE provider network. In September, HNE signed a provider agreement with the Fallon Clinic, a 255-doctor group practice with medical centers throughout central Massachusetts. Athol Memorial Hospital in Athol joined the HNE provider network this past July.

With these additions, HNE is expanding the options available to subscribers, particularly those on the eastern edge of its western Massachusetts service area. Subscribers to HNE now will be able to obtain care from these providers, in addition to Baystate Health and the many other facilities and practices in western Massachusetts.

According to Peter F. Straley, HNE President and CEO, the expansion to central Massachusetts was made to better serve its members. “We have employer groups where 80 to 90 percent of their workforce is located in western Massachusetts, but the remaining 10-20 percent live in central Massachusetts. By contracting with these providers we can better serve all our HNE members, especially those located on the edge of western and central Massachusetts.”

HNE Hospital Network at a Glance



Athol: Athol Memorial Hospital (13)

Great Barrington: Fairview Hospital (4)

Greenfield: Franklin Medical Center (5)

Holyoke: Holyoke Hospital (7)

North Adams: North Adams Regional Hospital (11)

Northampton: Cooley Dickinson Hospital (3)

Palmer:

Wing Memorial Hospital (12)

and its affiliated community medical centers

Pittsfield: Berkshire Medical Center (2)

Springfield:

Bay State Medical Center (1)

Mercy Medical Center (9)

Ware: Baystate Mary Lane Hospital (8)

Westfield: Noble Hospital (10)

Worcester:

UMass Memorial Medical Center Campuses (14)

Hahneman Campus

Memorial Campus

University Campus

MHQP Prepares for 2007 Public Release of 2006 Clinical Performance Data



Massachusetts Health Quality Partners (MHQP) will release comparative data on clinical quality performance measures to Massachusetts physicians and health plans and to the public in the winter, 2007. MHQP is a non-profit organization with an established record of providing actionable performance data for physicians and consumers in support of efforts to improve the quality of health care services delivered to Massachusetts residents.

MHQP has been sharing information on clinical quality performance measures with physicians and health plans since 2003, in its annual Statewide Comparative Clinical Quality Report (SCCQR). For the fourth year, this report will provide performance results for physicians based on HEDIS reporting measures collected from MHQP participating health plans and aggregated at the practice site, medical group, and physician network levels. Five of Massachusetts largest health plans have collaborated with MHQP in this process, including Blue Cross Blue Shield of Massachusetts, Tufts Health Plan, Harvard Pilgrim Health Care, and Health New England.

New Measures

MHQP has added some new measures to its clinical reporting for both the SCCQR release of data and the public release. New to the 2006 SCCQR release are two measures on beta-blocker treatment after a heart attack and one measure for imaging studies for lower back pain. Three measures that were new to last year's 2005 SCCQR will be included in public reporting this year. They include testing for children with upper respiratory infection and pharyngitis and colorectal cancer screening.

Public Release of Clinical Data Continues at the Medical Group

In February of 2006, for the first time, MHQP publicly released aggregated clinical performance results for 160 medical groups in Massachusetts. This year MHQP will continue to publicly report at the medical group level. MHQP will not report individual physician results to the public.

For more information on MHQP and clinical quality reporting visit www.mhqp.org.

From The Pharmacy...

The HNE Pharmacy Department is pleased to announce that information about the pharmaceutical management procedures and the HNE formulary is now available on line. It is available on both HNE.com and HNEDirect. In addition, it is also available through several of the services used with the electronic prescribing tools associated with your PDA.

If you would like a hard copy of the pharmaceutical management procedures or our physician formulary, please contact the HNE Provider Operations Department at 413-787-4000, ext 5000, or send an e-mail request to provideroperations@hne.com.

HEDIS® Time is Fast Approaching

From March through mid-May 2007, HNE once again will request copies of medical records to conduct data abstraction to obtain data for purposes of measuring health care outcomes and to perform medical record documentation review.

HNE strives to ensure that it has a rich administrative database from which to perform the annual HEDIS® measurement project. However, where practitioner offices do not supply properly coded claim/encounter data or where the data can be obtained only from medical record review, such as blood pressure monitoring, HNE must obtain vital information from the actual medical record. As always, HNE appreciates practitioner office cooperation for this project.

For more information about HNE's Quality Management Program. Questions about HEDIS or the collection process should be directed to Pat Scheer, HNE's Quality Operations Manager at 1-413-233-3435 or pscheer@hne.com

HNE's MA Accreditation Renewed with the Bureau of Managed Care

The Massachusetts Division of Insurance (DOI) has notified HNE that we have been accredited by the MA Bureau of Managed Care for the period of November 1, 2006 through October 31, 2008. HNE's "Excellent" accreditation status with the National Committee for Quality Assurance (NCQA) also supported our MA accreditation.

In 2000, MA managed care reform required MA health plans to obtain annual accreditation. HNE has met this requirement consistently since that time. Last year, the legislature changed the filing requirement to every other year. Therefore, the next accreditation renewal will be due in 2008. Meanwhile, the DOI will continue to monitor HNE, as it does all managed care organizations licensed in MA, during the accreditation period.

HEDIS and CAHPS Performance

Health Plan Employer Data & Information Set (HEDIS®[1]) is a set of standardized performance measures related to many important public health issues such as cancer, heart disease, smoking, asthma, and diabetes. HEDIS® also includes a member satisfaction survey, the Consumer Assessment of Health Plans (CAHPS®[2]), which evaluates plan performance in areas such as customer service, access to care, and claims processing.

HEDIS® is sponsored, supported, and maintained by the National Committee on Quality Assurance (NCQA). This is a non-profit organization committed to assessing, reporting on, and improving the quality of care provided by health plans.

HEDIS® allows health plans to develop meaningful information about the quality and value of care that members receive, and it provides health plans with measures upon which they can continuously improve.

A sample of HNE HEDIS® and CAHPS® rates compared to national averages published by NCQA in Quality Compass® 2006 are shown below. A full report may be obtained by calling HNE Member Services (413-787-4004 or 800-310-2835 Monday-Friday, 8 a.m.-5 p.m.)

<p>Adolescent Immunizations Protecting children from deadly diseases is a HNE goal. This measure calculates the percentage of adolescents who received all required doses of several vaccines by their 13th birthday.</p> <p>HNE: 88% National: 55%</p>	<p>Appropriately Treating Children with Colds Recent science has shown that the overuse of antibiotics has led to stronger, more drug resistant infections. While the common cold (upper respiratory infection {URI}) is a frequent reason for children visiting the doctor's office, studies do not show that antibiotics are an effective course of treatment. This measure shows the percent of children who did not receive an antibiotic for a URI.</p> <p>HNE: 91% National: 83%</p>
<p>Breast Cancer Screening This measure looks at women between the ages of 52 and 69 who received a mammogram in the past two years. With nearly 200,000 new cases of breast cancer reported each year, getting a mammogram annually is a woman's best line of defense.</p> <p>HNE: 82% National: 72%</p>	<p>Chlamydia Screening The Centers for Disease Control and Prevention estimates that three million people are infected with chlamydia each year. Sexually active women between the ages of 16 and 25 should be screened to prevent pelvic inflammatory disease, infertility, and ectopic pregnancy. Most women who have chlamydia do not experience any symptoms, making regular screenings important. This measure shows the percent of women who were screened.</p> <p>HNE: 42% National: 34%</p>

Cervical Cancer Screening
 Annually more than 10,000 women in the U.S. are diagnosed with invasive cervical cancer and nearly 4,000 die. Cervical cancer can be detected in its earliest stages by using a Pap test. Guidelines recommend women get a Pap test every 1 to 3 years depending on risk factors. The measure shows the percent of women who were tested.

HNE: 83%
 National: 82%

Diabetes Care
 It is estimated that 19 million Americans have diabetes. Complications such as kidney disease and blindness can be prevented when early detection and interventions are applied. The HNE Diabetes Management Program seeks to improve the quality of life and health status of members with diabetes.

Diabetes Care Measure	HNE	National
Checking eyes	77%	55%
Testing blood sugar	92%	88%
Checking cholesterol	96%	92%
Monitoring for kidney disease	74%	54%

Member Satisfaction Survey Results

HNE is always interested in how our members feel we are doing in delivering care and service. We do this through a standardized survey tool. The survey provides results in several key categories, which are listed in the table to the left. The survey helps us learn what our members say about the quality of their personal experience as members of HNE. Each members' personal experience and satisfaction helps us improve the way we deliver care and service.

Member Satisfaction Survey Results

Category Measured	HNE	National
Getting Needed Care	82	80
Getting Care Quickly	84	80
Courteous & Helpful Office Staff	96	93
Customer Service	76	70
Claims Processing	93	89
Rating of All Health Care	80	78

[1] HEDIS® and Quality Compass® are registered trademarks of the National Committee for Quality Assurance (NCQA).

[2] CAHPS® is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ). The source for data indicated above in Quality Compass™ 2006 and is used with permission from NCQA. Any analysis, interpretation, or conclusion based on these data is solely that of the authors, and NCQA specifically disclaims responsibility for any such analysis, interpretation, or conclusion. Quality Compass is a registered trademark of NCQA.

Submit your claims “DIRECT” to HNE

Two years after HIPAA, EDI adoption has increased substantially among providers and payers industry wide. In efforts to further streamline administrative costs, HNE is promoting the direct submission of claims to HNE from providers and their billing offices.

Many providers are investigating electronic health records (EHR) and are simultaneously looking to upgrade their practice management systems. Many of the contemporary practice management systems make it easier for Providers to submit HIPAA compliant claims directly to payers. As a local health plan, HNE believes in direct relationships with providers.

Use of clearinghouses has prohibited the adoption of direct submission on the part of providers by sponsoring the submission of claims through clearinghouses and paying for transaction fees. HIPAA provides for the exchange of electronic information in a standardized manner. Payers no longer need clearinghouses to translate disparate feeds to a common format due to their investment in HIPAA. The internet provides a “free” and “secure” (with the appropriate encryption) communications link to exchange electronic data.

HNE is prepared to invest up to \$100,000 between now and March 31, 2007 towards reimbursement of costs where providers implement direct submission of claims to HNE and meet the following conditions:

- Copies of paid receipts for associated costs must be submitted to HNE;
- The cost of products or services eligible for reimbursement does not include personnel costs for staff in the provider’s office;
- This offer is not valid for providers already submitting claims directly;
- Direct submission of claims must be in production by March 31, 2007;
- Each provider or billing service can be reimbursed up to an amount, pre-determined by HNE, based on the claim volume in the table below.

Number of claims submitted annually to HNE	Level of reimbursement available
<1000	\$250
1000 – 3000	\$750
3000 – 5000	\$1500
6000 – 8000	\$2500
8000 +	\$3000

HNE offers several technology alternatives for direct submission of Claims:

- FTP transfer via VPN or other secure technology (IT Dept to IT Dept)
- HNEDirect portal claims file transfer (CFT), 997 Response Transaction recently added in Oct 2006
- HNEDirect Direct Data Entry (DDE), recently added in Oct 2006
- New England Health EDI Network (NEHEN), being added in 2007

HNE’s Provider Relations Department can assist you in determining the best technology for your practice to use to submit claims directly to HNE. For further assistance, please contact HNE Provider Relations at (413) 787-4000, ext. 5000.

Health Care Reform Law

On April 12, 2006, Massachusetts passed a landmark law, Ch 58 of the Acts of 2006 – An Act Promoting Access to Affordable, Quality, Accountable Health Care. The law is sometimes referred to as the Massachusetts Health Care Reform Law. The main purpose of this law is to provide health care coverage to the nearly 500,000 uninsured residents in Massachusetts. At HNE, we support the law’s objective to reduce the number of uninsured. We are working to do our part to advance this objective.

We want to help you understand this important new law. Below is a brief overview of some of its key provisions. To find out more, [click here](#). This will bring you to the Commonwealth Health Insurance Connector.

Individual Responsibility

As of July 1, 2007, the law will require all residents of Massachusetts aged 18 and over to have health insurance coverage. The amount of coverage required is called “creditable coverage.” Anyone without creditable coverage may lose their personal tax exemption. Beginning January 1, 2008, anyone without creditable coverage may have to pay a penalty based on one-half of the premium cost.

Insurance Market Changes

The law also is designed to help individuals get affordable coverage. For example, the law:

- Authorizes the creation of new health insurance products, such as products for individuals between the ages of 19 and 26.
- Expands coverage for dependents under family policies. Dependents may be covered under a family policy for two years after losing dependent status under the IRS code, or to age 26, whichever comes first.
- Combines the small group (like, small businesses) and nongroup (individual) markets to make coverage for individuals less expensive.
- Expands Medicaid eligibility and coverage requirements.

Commonwealth Care Health Insurance Program (“Commonwealth Care”)

The law set up the new Commonwealth Care state premium assistance program. Anyone with a household income of 300% of the federal poverty level or lower, and who meets other requirements set by the state, is eligible for this program.

Commonwealth Health Insurance Connector Authority (the “Connector”)

The law creates an independent public authority called the Connector. The Connector:

- Administers the Commonwealth Care Health Insurance Program,
- Sets quality and other standards for health insurance plans, and
- Facilitates the purchase of health insurance plans that meet these standards.

Health Care Reform Law cont.

Those who can buy plans through the Connector are:

- Non-working individuals,
- Employees of large employers who do not have access to employer-sponsored insurance, and
- Employees of small employers (those with 50 covered lives or less).

Through the Connector, non-traditional workers - part-time and seasonal workers, contractors, sole-proprietors, and those with multiple jobs - will be able to purchase portable health insurance coverage that goes with them from job to job. Through the Connector, small businesses will be able to offer a choice of affordable products to their employees, and the employees will be able to purchase health insurance on a pre-tax basis.

Information for Employers

Under the law, employers also are responsible to make sure that their employees have access to affordable health insurance coverage. The following provisions affect employers:

- **Section 125 plans**

Employers with more than 10 full-time employees must create “cafeteria plans”, as authorized by Section 125 of the Internal Revenue Code. Under such plans employees can purchase health insurance on a pre-tax basis.

- **Free-Rider Surcharge**

The law requires companies with more than 10 employees to offer to contribute toward, or arrange for the purchase of health insurance. If they do not and their employees use more than \$50,000 in free care services in one year, the company may be liable for 10% to 100% of the state funded hospital costs of the free care services used by their employees and dependents.

- **Employer Assessment**

The law requires companies with more than 10 employees to offer a group health plan and to make a “fair and reasonable premium contribution.” If they do not, the company will be required to pay an annual assessment of up to \$295 per employee.

Transparency in Quality and Cost

The law creates a Health Care Quality and Cost Council. The Council will set quality improvement and cost containment goals for Massachusetts. The Council will collect cost, price and quality data from health care providers, pharmacies, payers and insurers. The Council will develop and maintain a web site with cost and quality information about providers for consumers and purchasers.