



April 10, 2020

<<PROVIDER NAME>>
<<ADDRESS1>>
<<ADDRESS2>>
<<CITY>>, <<STATE>> <<ZIP>>

Dear Provider Partner:

WHY YOU'RE RECEIVING THIS LETTER

Blue Cross and Blue Shield of Kansas City (Blue KC) wants to remind you that we have begun partnering with Avalon Healthcare Solutions (Avalon) on a new laboratory benefit management program. Providers of laboratory services (both referring and performing) will need to be aware of this new program, as collectively we have an obligation to ensure members and patients receive high-quality services at their most affordable costs. The program includes important changes affecting providers, such as new and revised medical policies, guidelines and consistent reviews for certain laboratory services. Below you'll find details of these program components and important implementation dates.

WHAT YOU NEED TO KNOW

- Effective July 1, 2020, new and revised medical policies and guidelines will take effect that will impact certain laboratory, services, tests and procedures. These policies and guidelines will be available for review on the Blue KC Provider Portal on May 1, 2020.
- Effective for dates-of-service July 1, 2020 and afterwards, Blue KC will apply Avalon's automated policy enforcement (post-service) to claims reporting laboratory services performed in office, hospital outpatient and independent laboratory locations. Avalon's automated policy enforcement combines clinical research with reliable technology and is designed to help ensure the consistent application of Blue KC's laboratory policies and guidelines to claims reporting laboratory services.
 - Avalon's automated policy enforcement will be applied by Blue KC to claims reporting laboratory services provided in office, hospital outpatient and independent laboratory locations. Laboratory services, tests and procedures provided in emergency room, hospital observation, and hospital inpatient settings are excluded from this program.
 - Avalon has developed a Trial Claim Advice Tool that allows users to input codes for services, along with patients' diagnoses, to determine in advance of submitting claims how Avalon's automated policy enforcement tool will review code and diagnosis combinations.
- Laboratory services reported on claims will be reviewed for compliance and consistency with Blue KC's laboratory policies and guidelines, as well as industry standardized rules, such as but not limited to: evaluating services for being experimental and or investigational; meeting medical necessity; and appropriateness for patient demographics. Additionally, codes reporting multiple units billed will be reviewed for appropriateness to code specific unit allowances under Blue KC's laboratory policies and guidelines.

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- ***Important Reminder:** Expanded genetic testing benefits began to be offered to our members based on when their insurance plan renews in 2020—hence some members may have them starting in January and others starting in July, etc. All genetic testing requires prior authorization. Please go to the Blue KC Provider Portal to verify member eligibility and benefits.

QUESTIONS?

We value and appreciate you as our partner in providing quality care. If you have questions about any of this information, please contact the Blue KC Provider Hotline at 816-395-3929.

Sincerely,



Raelene Knolla, DO
Vice President of Population Health, Senior Medical Director

