

# providers' news

A publication for participating providers and their office staffs

## Claims filing rule reminders for durable medical equipment, laboratory, and specialty pharmacy

The following article was originally published in the December 2011 Providers News and incorrectly labeled "Blue Card." While the claims filing policies and rules are required for Blue Card, these claims filing rules apply to ALL laboratories, durable medical equipment/home medical suppliers and specialty pharmacies.

In 2004, the Blue Cross and Blue Shield Association (the Association) revised its Blue Card claims filing rules for providers specializing in independent clinical laboratory, durable/home medical equipment and supply, and specialty pharmacy. While these revisions are several years old, the Association has only recently tightened system requirements related to these rules. These rules apply to all provider networks and claims related to Arkansas Blue Cross and Blue Shield, Blue Advantage Administrators of Arkansas and Health Advantage when claims are being submitted via the Blue Card process of the Association, a process used to facilitate the efficient processing of claims for members receiving services outside their local service area or state.

Claims for independent clinical laboratory, durable/home medical equipment and supply, and specialty pharmacy are filed to the local Blue Cross and Blue Shield Plan (sometimes called the Host Plan). The local Blue Cross Plan is usually defined as the Plan in whose service area the services are rendered. The Blue Plan

that issued coverage for a given member, or that contracted with their employer to administer their self-funded health plan, is referred to as the Home Plan.

**Please note:** Host Plan and Home Plans are in every case independent companies so that the Host Plan is not responsible for funding of any insurance issued by a Home Plan. The Host Plan's role is limited to a claims processing and customer services assistance function with respect to the out-of-state provision of services to the Home Plan's member.

### Clinical Lab:

For clinical lab, the local Blue Cross Plan is defined as the plan in which service area the specimen was drawn.

Example: a blood specimen is drawn at a physician's office in Little Rock that participates in the Health Advantage network on a member who has Health Advantage benefit coverage. The lab is sent to New York to be processed and is billed from North Carolina. This laboratory participates in the Health Advantage network. The claim must be billed directly to Health Advantage as the specimen was

drawn in Arkansas. The claim will be processed as in network for covered services.

Another example: A blood specimen is drawn in Hot Springs on a member who has health plan coverage administered through Blue Advantage Administrators of Arkansas. The clinic where the specimen is obtained is not in any Arkansas Blue Cross provider networks. The lab specimen is sent to Denver, CO to be processed and will be billed by the lab from Denver. The lab is also not in any Arkansas Blue Cross or affiliates' provider network. The claim must be billed directly to Blue Advantage as the specimen was obtained in Arkansas. The claim will be processed as out of network for covered services.

Information required on claims submitted for clinical lab:

- Referring Provider, Field 17 on CMS 1500 Health Insurance Claim Form or loop 2310A (claim level) on the 837 Professional Electronic Submission.



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**Durable/Home Medical Equipment and Supply**

For durable/home medical equipment and supply, the local Blue Plan is the plan in which service area the equipment was shipped to or purchased at a retail store.

For example: a member with Arkansas Blue Cross insurance living in Fort Smith, AR orders diabetic supplies from a mail order supplier in Ohio. The supplier participates in the Host Plan's network in Ohio but not Arkansas. The claim must be filed directly to Arkansas Blue Cross because Arkansas is where the supplies were shipped. The claim will be processed as out of network for covered services.

Information required on claims submitted for durable/home medical equipment:

- Patient's Address, Field 5 on CMS 1500 Health Insurance Claim Form or in loop 2010CA on the 837 Professional Electronic Submission.
- Referring Provider, Field 17 on CMS 1500 Health Insurance Claim Form or loop 2310A (claim level) on the 837 Professional Electronic

Submission.

- Place of Service, Field 24B on the CMS 1500 Health Insurance Claim Form or in loop 2300, segment CLM05-1 on the 837 Professional Electronic Submission.
- Service Facility Location Information, Field 32 on CMS 1500 Health Insurance Form or in loop 2310 A (claim level) on the 837 Professional Electronic Submission.

**Specialty Pharmacy**

For specialty pharmacy, the local Blue Plan is defined as the plan in which service area the ordering physician is located.

For example: a physician whose clinic is in Pine Bluff orders specialty drugs for a Health Advantage member who lives in Stuttgart. The specialty pharmacy is located in Jackson, MS and is in the Mississippi Blue Cross and Blue Shield provider networks, but not in any Arkansas Blue Cross or affiliates' networks. The claim must be filed directly to Health Advantage as the ordering physician's practice location is in Arkansas.

The claim will be processed

as out of network as the specialty pharmacy is not in any Arkansas Blue Cross or affiliates' provider networks. Information required on claims submitted for specialty pharmacy:

- Referring Provider, Field 17 on CMS 1500 Health Insurance Claim Form or loop 2310A (claim level) on the 837 Professional Electronic Submission.

The Blue Card program has always relied on the provider agreement status and pricing of the local Blue Plan and that is still true. The mere fact that a claim is required to be submitted directly to a certain Blue Plan does not obligate any local Blue Plan to offer contracts to any lab, durable medical equipment supplier or specialty pharmacy.

However, the Association's rules for Blue Card have been revised to allow Blue Plans to contract with out of state clinical labs, durable medical equipment suppliers and specialty pharmacies. Each local Blue Plan will make its own decisions related to provider contracting and pricing.

Provider Type	How to file (Required fields)	Where to file	Examples
<p><b>Independent Clinical Laboratory</b> (any type of non hospital based laboratory)</p> <p>Types of Service include, but are not limited to: Blood, urine, samples, analysis, etc.</p>	<p><b>Referring Provider:</b></p> <ul style="list-style-type: none"> <li>•Field 17B on CMS 1500 Health Insurance Claim Form or</li> <li>•Loop 2310A (claim level) on the 837 Professional Electronic</li> </ul>	<p>File the claim to the Plan in whose state the specimen was drawn*</p> <p>* Where the specimen was drawn will be determined by which state the referring provider is located.</p>	<p>Blood is drawn* in lab or office setting located in <b>Arkansas</b>. Blood analysis is done in New York.</p> <p><b>File to: Arkansas.</b></p> <p>*Claims for the analysis of a lab must be filed to the Plan in whose state the <b>specimen was drawn</b>.</p>

Provider Type	How to file (Required fields)	Where to file	Examples
<p><b>Durable/Home Medical Equipment and Supplies (D/HME)</b></p> <p>Types of Service include, but are not limited to: Hospital beds, oxygen tanks, crutches, etc.</p>	<p><b>Patient's Address:</b></p> <ul style="list-style-type: none"> <li>Field 5 on CMS 1500 Health Insurance Claim Form or</li> <li>Loop 2010CA on the 837 Professional Electronic Submission.</li> </ul> <p><b>Ordering Provider:</b></p> <ul style="list-style-type: none"> <li>Field 17B on CMS 1500 Health Insurance Claim Form or</li> <li>Loop 2420E (line level) on the 837 Professional Electronic Submission.</li> </ul> <p><b>Place of Service:</b></p> <ul style="list-style-type: none"> <li>Field 24B on the CMS 1500 Health Insurance Claim Form or</li> <li>Loop 2300, CLM05-1 on the 837 Professional Electronic Submissions.</li> </ul> <p><b>Service Facility Location Information:</b></p> <ul style="list-style-type: none"> <li>Field 32 on CMS 1500 Health Insurance Form or</li> <li>Loop 2310C (claim level) on the 837 Professional Electronic Submission.</li> </ul>	<p>File the claim to the Plan in whose state the equipment was shipped to or purchased in a retail store.</p>	<p>A. Wheelchair is purchased at a retail store in Arkansas.</p> <p><b>File to: Arkansas</b></p> <p>B. Wheelchair is purchased on the internet from an online retail supplier in Ohio and shipped to Arkansas.</p> <p><b>File to: Arkansas</b></p>
<p><b>Specialty Pharmacy</b></p> <p>Types of Service: Non-routine, biological therapeutics ordered by a health care professional as a covered medical benefit as defined by the member's Plan's Specialty Pharmacy formulary. Include, but are not limited to: injectable, infusion therapies, etc.</p>	<p><b>Referring Provider:</b></p> <ul style="list-style-type: none"> <li>Field 17B on CMS 1500 Health Insurance Claim Form or</li> <li>Loop 2310A (claim level) on the 837 Professional Electronic Submission.</li> </ul>	<p>File the claim to the Plan whose state the Ordering Physician is located.</p>	<p>Patient is seen by a physician in Illinois who orders a specialty pharmacy injectable for this patient. Patient will receive the injections in Arkansas where the member lives for 6 months of the year.</p> <p><b>File to: Illinois</b></p>

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## Please Note

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