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MEDICAL ASSOCIATION OF GEORGIA SAYS BLUE CROSS BLUE SHIELD COMPLIANCE DISPUTE RESOLUTION TO BENEFIT 12,000 PHYSICIANS

Atlanta – The Medical Association of Georgia (MAG) says that it has resolved a compliance dispute with Blue Cross Blue Shield of Georgia, Inc. and Blue Cross Blue Shield Healthcare of Georgia, Inc. (subsidiaries of WellPoint, Inc.) that’s related to a settlement agreement that will benefit the 12,000 physicians who are under contract with Blue Cross Blue Shield in the state.

MAG used the compliance dispute process that was included in the settlement agreement that was the result of a managed care lawsuit settled in 2005 that involved WellPoint Inc. That settlement included generally-accepted medical standards, increased transparency in paying claims, streamlined communications between Blue Cross Blue Shield and its contract physicians, and a less complex claims payment system.

According to MAG General Counsel Donald J. Palmisano Jr., Blue Cross Blue Shield will distribute the “Managed Care Settlement Appendix” to every physician that it has under contract in Georgia by September 1, 2008. That document clarifies some of the changes that were implemented by Blue Cross Blue Shield pursuant to the 2005 settlement agreement. The document:

- Addresses how disputes relating to Blue Cross Blue Shield’s contract will be arbitrated
- Establishes an external, independent medical necessity review process
- Creates an external, independent review board to resolve billing disputes
- Extends the 180 days for submitting claims to a “reasonable period” when circumstances beyond a physician’s control delay submission, which will be reviewed on a case-by-case basis
- Limits Blue Cross Blue Shield’s right to require physicians to accept a capitated fee arrangement or to participate in its Medicare Advantage or Medicaid Product Networks
- Confirms that Blue Cross Blue Shield does not and shall not include in its contracts provisions that restrict the free, open and unrestricted exchange of information between physicians and their patients regarding medical conditions, treatment options, and the patient’s right to appeal Blue Cross Blue Shield decisions
- Allows physicians to terminate their contract with Blue Cross Blue Shield without cause with 120 days written notification
- Allows physicians to terminate their agreement with Blue Cross Blue Shield following any material changes made by Blue Cross Blue Shield with appropriate written notice

“This agreement is going to help our physicians in Georgia in a number of ways,” says Palmisano. “But it’s also going to enhance the health care system in the state, which is great news for patients.”

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