

June 30, 2011

Changes to Claims Reimbursement in 2011 – *Updated*

This communication is to update you on UCare's plan for implementing the new Resource-Based Relative Value Scale (RBRVS) reimbursement system proposed by the Department of Human Services (DHS) for Minnesota Health Care Programs (MHCP). UCare's goals for these changes are to confirm alignment of UCare's payment policy with DHS' policy, and to ensure a transition that avoids significant disruption in claims payment to providers.

UCare supports this shift in DHS' policy toward stronger support for primary care, which is consistent with UCare's longstanding support for this care model. However, the change requires UCare to carefully analyze financial impacts to providers to avoid unforeseen variations from UCare's payment policy. This policy shift also requires UCare to thoughtfully implement any new rates in our claims payment system to ensure accurate and timely payment.

Given these potential impacts on you as a UCare provider, we will implement this change over a deliberate timeline. To this end, UCare will continue using the current DHS fee schedule and because of the legislative complexity and the enormity of the task, we will target implementation in the 4th quarter of 2011. We will send a follow up to this update in September to provide more guidance.

If you have questions, please e-mail them to providerrelations@ucare.org. This mailbox will be checked regularly.

Thank you,

UCare's Provider Network Management Team