



601 12th Street
Oakland, CA 94607

February 5, 2024

Subject: Notification of required regulatory updates and April 15, 2024 updates to the Blue Shield *HMO IPA/Medical Group Procedures Manual*

Dear IPA/medical group:

Blue Shield is revising the *HMO IPA/Medical Group Procedures Manual (Manual)*. The changes in each provider manual section listed below are described either as a regulatory update, not subject to negotiation and effective January 31, 2024, or as a notice of an update effective April 15, 2024.

All updates included in this letter will appear in the April 15, 2024 version of the *HMO IPA/Medical Group Procedures Manual* posted by January 31, 2024 on the Provider Connection website at www.blueshieldca.com/provider in the *Provider Manuals* section under *Guidelines & resources*.

You may also request a PDF version of the revised *HMO IPA/Medical Group Procedures Manual* be emailed to you or mailed to you in CD format by emailing providermanuals@blueshieldca.com.

The *HMO IPA/Medical Group Procedures Manual* is included by reference in the agreement between Blue Shield of California (Blue Shield) and those IPAs and medical groups contracted with Blue Shield. If a conflict arises between the *HMO IPA/Medical Group Procedures Manual* and the agreement held by the IPA or medical group and Blue Shield, the agreement prevails.

If you have any questions regarding this notice or about the revisions to be published in the April 15, 2024 version of this *Manual*, please contact your Blue Shield Provider Relations Coordinator.

Sincerely,

A handwritten signature in black ink, appearing to read "Aliza Arjoyan".

Aliza Arjoyan
Senior Vice President
Provider Partnerships and Network Management

Section 4: Contract Administration

Other IPA/Medical Group Responsibilities

Added the following section to comply with AB 133 which mandates the creation of the California Health and Human Services Data Exchange Framework for commercial providers. This update is effective 1/31/24:

Health Information Data and Record Sharing with Blue Shield

IPA/medical groups shall comply with State requirements regarding electronic health record data exchange, including without limitation those outlined in the California Health and Human Services Data Exchange Framework, and the compliance milestones established for Calendar Year 2022-2024 and other program policy and procedure requirements, and additional state and federal regulations as applicable, and as updated and amended from time to time. Such program requirements and State law, implementing regulations and regulatory guidance shall govern the sharing of electronic health record data beginning January 31, 2024. Blue Shield is able to receive electronic health record data through the following platforms: (i) EPIC Payer platform, (ii) Manifest MedEx platform, and (iii) State Qualifying Health Data Exchange platform. IPA/medical groups shall participate in and utilize one of the aforementioned options in providing electronic health record data to Blue Shield within the timelines set forth in the State requirements as they may be amended from time to time. For informational purposes, as of January 1, the required timelines include:

On or before January 31, 2024, unless otherwise stated:

- General acute care hospitals, as defined by Section 1250. (Fewer than 100 beds, the compliance date is 1/31/26.)
- Provider and physician organizations and medical groups, as defined by Section 127500.2. (Fewer than 25 physicians, and nonprofit clinics with fewer than 10 providers, the compliance date is 1/31/26.)
- Skilled nursing facilities, as defined by Section 1250, that currently maintain electronic records. (Fewer than 100 beds, the compliance date is 1/31/26.)
- Clinical laboratories, as that term is used in Section 1265 of the Business and Professions Code, and that are regulated by the State Department of Public Health.
- Acute psychiatric hospitals, as defined by Section 1250. (Fewer than 100 beds and state-run acute psychiatric hospitals, the compliance date is 1/31/26.)
- Emergency medical services, as defined by Section 1797.72.

Added the following language into Sections 2.8 and 5.1 describing the pharmacy Drop Ship Program:

For HMO groups who do NOT take financial risk for any medical drugs, they may be able participate in the Blue Shield Drop Ship Program if their network contract permits. Interested HMO groups should contact their network contracting team for information. Adequate time will be needed to set up the group in our Claims system to allow the necessary coding requirements. The Drop Ship option will only be available for select drugs and does NOT replace buy and bill. Under this program, physician offices order medications from a Blue Shield preferred pharmacy on an individual patient basis. The pharmacy delivers the drug to the physician's office and bills Blue Shield for the cost of the drug. After the member receives treatment, the physician only bills Blue Shield for the administration costs through the encounter process. Physician offices will continue to be required to procure medications through the buy-and-bill method for drugs not available through the Drop Ship Program. A list of the Drop Ship medications and program information can be found on Provider Connection at blueshieldca.com/provider.