



# Northwood provider orientation

## Durable medical equipment benefit management



# What is durable medical equipment benefit management?

- Provider network management
  - Credentialing and re-credentialing process
  - Convenient member access – to meet Blue Cross Blue Shield of Michigan’s needs
- Member and provider service management
  - Call center for members and providers – 24/7 access
- Utilization management
  - 100 percent prior authorization with the exception of the HCPCS/diagnosis exclusion list
- Claims management
  - Thirty day turnaround time on clean claims



## Why DBM?

- Ensure appropriate utilization of durable medical equipment, prosthetic, orthotic and medical and diabetic supply services.
- Achieve reasonable cost savings while providing appropriate member care.



## Northwood overview

- Northwood is a durable medical equipment benefit management company specializing in cost management and improving member care and satisfaction.
- It was founded in 1992 by an independent, family-owned home medical equipment company.
- There are more than 5,800 durable medical equipment, prosthetic, orthotic and medical supply provider locations nationwide.
- It's large staff includes clinicians and industry experts.
- Northwood is NCQA and URAC-accredited in health utilization management.





## Northwood and Blue Cross Blue Shield of Michigan

- Blue Cross Blue Shield of Michigan has contracted Northwood to be their durable medical equipment benefit manager for fully insured commercial PPO Members. This will include:
  - Provider contracting
  - Credentialing
  - Provider management
  - Prior authorization
  - Utilization management
  - Claims submissions

*\*The program doesn't apply to Commercial PPO self-funded members or members not residing in Michigan. It also does not apply to Medicare primary/BCBSM secondary claims.*



## Products and services managed by Northwood for the fully insured commercial PPO members

All durable medical equipment, prosthetics, orthotics and medical supplies dispensed and billed by the following provider types:

- Durable medical equipment providers
- Medical supply providers
- Oxygen/respiratory equipment providers
- Mobility providers
- Orthotics/prosthetics providers
- Breast prosthesis providers
- Ocular prosthetic providers
- Pharmacy providers (who distribute and dispense DMEPOS)
- Speech-generating device providers
- Diabetic supplies



## **Provider types that will continue to be managed internally by fully insured commercial PPO members**

- Acute, sub-acute and intermediate care, and rehabilitation hospitals and facilities
- Hearing aid providers
- Physician and mid-level clinicians and corresponding locations
- Allied health practitioners (including chiropractors, physical therapists, occupational therapists, speech therapist and optometrists)
- Outpatient facilities (including outpatient hospitals, ambulatory surgery centers, labs, emergency rooms and urgent care centers)
- Cardiac monitoring providers
- Behavioral health providers
- Ambulance providers
- Out-of-network providers



## Timeline

- Starting January 1, 2021, all durable medical equipment, prosthetics, orthotics, and medical and diabetic supplies will need prior authorization through Northwood for supplies and equipment delivered to a Michigan address.
- All fully insured commercial PPO member claims with a date of service of January 1, 2021, or after must be submitted to Northwood.





## Transition timeline for Northwood contracted providers

- Beginning January 1, 2021, all DMEPOS equipment and services will need Northwood's prior-authorization in order to bill a claim. Beginning December 1, 2020, for all members currently being serviced by your company, Northwood participating providers will be able to submit continuity of care (CoC) authorization request data files to Northwood via the Northwood Provider Portal. Providers will be able to submit either an Excel (XLSX) or pipe delimited text file that follows the Northwood CoC Authorization Requests File Layout (layout attached). Providers will receive a response file after their submission is processed by Northwood.
- Authorization requests for **NEW REFERRALS ONLY** after January 1, 2021 will follow standard portal submission processes. For those members under current service with your company, you must submit those requests via the continuity of care data file process outlined above.
- **NOTE:** Providers supplying or delivering to a non-Michigan address will continue to bill BlueCard® and don't need to obtain authorization from Northwood.
- **NOTE:** Providers supplying or delivering to Medicare primary/BCBSM secondary members will continue to bill Medicare directly where claims will auto cross-over to BCBSM for processing.
- Please review Northwood's provider manual, Northwood's quick reference guide for providers and these frequently asked questions to assist you and your staff in providing services to BCBSM fully insured commercial PPO members after January 1, 2021.

\*Northwood's online provider portal may be accessed at <https://providerportal.northwoodinc.com>. A log In ID request form user manual and a video tutorial are available at [www.northwoodinc.com](http://www.northwoodinc.com).



## Transition timeline for providers not contracted with Northwood or Blue Cross

- Providers not contracted with Northwood will continue to bill Blue Cross directly.
- Providers supplying and delivering to a non-Michigan address will continue to bill BlueCard.



## Prior authorization process

Prior authorization is required

- 100 percent prior authorization program with the exception of the HCPCS codes on the authorization exclusion list located in the Provider Manual
- For all durable medical equipment, prosthetics, orthotics and medical and diabetic supplies for all fully insured commercial PPO members



## Prior authorization process (cont.)

### To request an authorization:

Online at <https://providerportal.northwoodinc.com>

- To request access to the portal, visit <https://providerportal.northwoodinc.com/FormsAndDocumentation/Documentation.aspx>. The user manual is on Northwood's website under the provider tab.

Call Northwood at: 1-800-393-6432 (Urgent requests only.)



## Information needed to obtain an authorization

It's essential to have the following information available when submitting an online authorization request to Northwood:

- Provider ID number
- Member name/  
address/telephone
- Member contact/telephone
- Member date of birth
- Referral source/telephone
- Blue Cross Blue Shield of  
Michigan ID #
- Other insurance information  
(if any)
- Diagnosis - ICD-10-CM  
code and description
- Date of service
- Referring physician
- Level II HCPCS code
- Description of product/service
- Service type  
(purchase or rental)/modifiers
- Quantity
- Duration of need



## Prior authorization outcomes

### Routine authorization:

- Northwood's benefit coordinators will be your initial contact for requesting an authorization through the provider portal. If the request and related equipment and service meet criteria for diagnosis, quantity, standard equipment, etc., an authorization will be issued and electronically faxed to the provider for their records. A Northwood authorization number is required for claim submission (with the exception of those HCPCS codes listed on the authorization exclusion list located in the Provider Manual).
- If the requested product or service doesn't immediately meet Northwood's criteria it'll be sent to Northwood's case review department for review and processing.



## Prior authorization outcomes (cont.)

### Case review authorization:

- For cases sent for review, Northwood's team will gather necessary documentation to determine whether an authorization can be granted.
- Once medical information is obtained and determination can be made to authorize the product or service, Northwood will contact the provider with the authorization number and an electronic authorization notification.
- If Northwood is unable to authorize the product or service even after receiving additional information, the case will be sent to Northwood's medical director for review.



## Prior authorization outcomes (cont.)

### Denials:

Northwood will manage denials for Blue Cross. The types of denials are:

- Administrative denials: These denials are based on an administrative reason; not medical necessity of service or product.
- Not following authorization or referral process (denial will be to the DME provider)
- Benefit exclusion denials: These denials are based on the requested item, product or service being excluded from a member's benefit plan. (member denial)
- Medical necessity denials: These denials are based on the requested item, product or service not meeting medical necessity guidelines. (member denial)





## Prior authorization outcomes (cont.)

### Inquiries, appeals and grievances:

- **Member inquiries, appeals and grievances**
  - Blue Cross will continue to retain responsibility for member appeals and grievances for all plan members.
- **Provider inquiries, appeals and grievances**
  - Northwood has been delegated by Blue Cross to manage all provider inquiries, appeals (for claims or administrative denials only\*) and grievances.

\*Providers appealing denials related to medical necessity (denials on behalf of members) need to contact Blue Cross.



## Member appeals and grievances

Blue Cross Blue Shield of Michigan fully insured commercial PPO members or the member's authorized representative may submit a grievance or appeal in writing to:

- Mail: Blue Cross Blue Shield of Michigan  
Grievance and Appeals  
P.O. Box 1620  
Detroit, MI 48231-2627



## Provider inquiries, appeals and grievances

Provider inquiries, appeals\* and grievances may be made by contacting Northwood at:

- Phone: 1-800-393-6432
- Fax: 1-586-755-3733
- Mail: Northwood

Attn: BCBSM Comm PPO  
Program/Provider Appeal  
P.O. Box 510  
Warren, MI 48090-5010

\*Provider appeals related to administrative denials must be submitted in writing. Providers appealing medical necessity denial decisions on behalf of members need to contact Blue Cross.



# Claims

## Claim filing process:

- Northwood claims for member services must be submitted electronically.
- The filing limit for fully insured commercial PPO member claims is 180 days from the date of service. This includes all claims submitted for adjustments and corrections.



## Claims (cont.)

### Electronic claims

- Providers must send claims electronically to Northwood. Electronic claims must be completed according to HIPAA 837 transaction requirements detailed on Northwood's website at [www.northwoodinc.com](http://www.northwoodinc.com).

### Electronic funds transfer

- Electronic funds transfer is available. Sign up at [www.northwoodinc.com](http://www.northwoodinc.com).



## Provider resources

All reference materials for the fully insured commercial PPO DMEPOS program can be found at [www.northwoodinc.com](http://www.northwoodinc.com) under the provider tab.

- Northwood Provider Manual
- Quick Provider Reference Guide
- Frequently asked questions
- A PDF copy of this presentation
- Login ID and password request form
- Northwood provider online authorization request portal user manual