

Revisions

Release 17.0 – removed release # from heading per guidelines

Overview

UPF Implementation Standards

The UPF implementation standards that follow define the responsibilities of the local Plan and the processing site for pricing, adjudicating and paying out-of-area ITS claims.

Major areas of local Plan and processing site responsibility appear in Table 2-1 Below. These responsibilities apply only to Inter-Plan Business claims. For custom national accounts, Control and Participating Plans are free to negotiate their own customized agreements.

Table 2-1: Local Plan and Processing Site ITS Responsibilities

Host	Home
Local Plan Responsibilities Provider Billing Practices	Processing Site Responsibilities Medical Policies (Subscriber Contract)
Provider eligibility	Subscriber eligibility
Appending provider rates, rules and pricing methods	Medical necessity
Provider cost containment <ul style="list-style-type: none"> Bundling/unbundling Multiple surgeries 	Investigational/experimental <ul style="list-style-type: none"> Technology Procedures/services
Provider contractual agreements <ul style="list-style-type: none"> Financial reimbursement Hold harmless Networks Utilization management (optional) Conditions affecting discount application 	Benefits Limitations <ul style="list-style-type: none"> Setting Frequency Diagnosis Provider restrictions Managed care responsibilities
Appending COB/Medicare data <ul style="list-style-type: none"> Financial reimbursement All Medicare/OPL-related information 	Benefit determination <ul style="list-style-type: none"> Determine primacy Calculate secondary payment
Other	
State mandates	

Surcharge/supplemental	
------------------------	--

Local Plan ITS Responsibilities

Rules the Local Plan Must Follow

Under the ITS processing model for out-of-area claims, local Plans must follow the implementation standards listed below.

1. Determine pricing based on local provider agreements and select the appropriate pricing to pass to the processing site for Inter-Plan Business and generic national account claims.

This will require that the local Plan identify how the provider expects the subscriber and BCBS liability to be calculated. You identify these payment rules using the standard pricing rules, pricing methods and modification conditions (including prospective provider settlements and surcharges) detailed in the following chapter.

2. Use the local bundling and unbundling practices that are appropriate to your local provider agreements.
3. Price all claims as though the processing site were the primary carrier.

If the local Plan's provider arrangement is applicable when the processing site (the Home Plan or Control Plan) is the secondary carrier, the local Plan must convey this information to the processing site using the SF. Refer to the OPL User Manual for additional information.

4. Use standard ICD-10, HCPCS, CPT-4 codes and UB-92 revenue codes.
5. Perform the provider eligibility and utilization management functions required by the local provider arrangements. Pass any price reductions resulting from utilization management to the processing site as a reduced priced amount; that is, the subscriber must be held harmless.
6. Process provider payments and remittance advice based on the disposition transaction you receive from the processing site.
7. Handle all provider inquiries and notifications, unless you have made alternative arrangements with the processing site.
8. Provide access to the original or a microfilm copy of all claim submittals to resolve inquiries.

Processing Site Responsibilities

Rules the Processing Site Must Follow

Under the Inter-Plan Business processing model, processing sites must honor the local Plan's pricing requirements to share in the discount. Specifically, processing sites must follow these implementation standards.

1. Develop an automated or manual procedure for responding to UPF message codes you receive on the institutional or professional claim record. In many cases, you will use the Standard Inter-Plan Resolution Facility (SIRF) to request additional information as required.
2. Perform all claims adjudication functions, including subscriber eligibility, medical necessity, benefits limitation and investigational/experimental review.
3. Perform all managed care functions dictated by subscribers' contracts.
4. Perform all subscriber other party liability functions.
5. Accept the local Plan's pricing as submitted on the submission transaction. If you cannot do this on an individual claim, you must choose one of the following options:
 - Calculate the subscriber and BCBS liability based on billed charges. In this case, you must pay the subscriber unless otherwise instructed.
 - Ask the local Plan (either manually or using SIRF) to re-price the claim to resolve the problem.
6. Accept bundled and unbundled claims as priced. Do not unbundle claims to deny a specific service and do not bundle claims to attach a new price.
7. Use one of the following options for processing zero-priced claims:
 - Accept the local Plan's determination, deny the claim, and reopen it only on subscriber inquiry.
 - Adjudicate the claim, possibly overriding the denial, and pay the billed amount to the subscriber. You must first obtain the local Plan's approval.
8. Process subscriber payments, notifications of resolutions and inquiries.
9. Use standard adjustment and denial reason codes.

Problem Resolution

A Contact for Help with Problems

For additional standards on using UPF pricing methods, rules and calculations, refer to the ITS Implementation Standards.

Please direct any questions or problems to:

IPPT Helpdesk
312.297.5500
[BCBSA Self-Service Portal](#)