

July 1, 2021

RE: Important update to provider UM reimbursement penalties and corresponding entry in Provider Manual

Dear Provider:

Effective for dates of service on and after **October 1, 2021**, Anthem Blue Cross and Blue Shield and our subsidiary company, HMO Colorado (Anthem) will increase the reimbursement penalty for failure to comply with the Utilization Management (UM) program's prior authorization requirements for services rendered to commercial plan members. Late prior authorizations, and late notices in the case of emergency admissions, are currently subject to a penalty and will be subject to the increase in the penalty. **Failure to comply with Anthem's prior authorization requirements, and late notice requirements in the case of emergency admissions, will result in a 100% reduction in reimbursement to the provider and facility.**

As a reminder, Anthem requires prior authorization prior to the delivery of certain elective services in both the inpatient and outpatient settings. For an emergency admission, prior authorization is not required; however, you must notify Anthem of the admission within the timeframe specified in the Provider Manual or as otherwise required by law. Failure to give timely notification for emergency admissions will also result in reimbursement penalties of 100% to providers and facilities.

Enforcement of the program requirement will lead to greater consistency in our processes. This notice updates Anthem's UM program reimbursement penalties and the corresponding sections of the Provider Manual to reflect this change to the reimbursement penalty for non-compliance. As a reminder, providers and facilities may not balance bill the member for any such reduction in payment.

For more information, go to anthem.com, select **Providers**. Under the *Provider Resources* heading, select **Policies, Guidelines, and Manuals**. Select **Colorado** as your state, select Download Manual to view the current version.

Sincerely,



Janet Pogar
RVP, Provider Solutions
Anthem Blue Cross and Blue Shield