



FLASH: New Effective Date for High Cost Medical Drug Policy

May 22, 2020

Important Update: On July 1, 2020, the new policy governing reimbursement for high cost medical drugs administered in a medical setting will go into effect. Please note that this policy was previously scheduled to take effect June 1, 2020, but the start date has been pushed to July 1 due to the COVID-19 pandemic.

Background: On February 28, Health Alliance mailed a letter to its contracted providers in Illinois and other Midwestern states notifying them of this policy update. Providers serving Health Alliance fully insured commercial group and individual members, and those serving members of many Health Alliance-administered self-funded plans, are subject to this policy. Providers are not subject to this policy if they are caring for members with Health Alliance Medicare plans or traditional Medicare.

This policy will allow us to ensure the same quality of care and continue offering competitive products by better managing expenses for very high cost drugs—the kind that must be administered by a healthcare professional, usually by injection or IV infusion, on a scheduled basis in physician offices, infusion centers or hospital outpatient settings. The policy does not include high cost medical drugs that must be administered in an inpatient, emergency or unscheduled situation.

Members will **not** be affected in any negative way. They may experience a positive impact with lower out-of-pocket costs if their coverage plan requires that they pay coinsurance when they receive these drugs. They will receive the same medications in the same way. The provider will simply arrange to order the drugs in advance.

Health Alliance's list of high cost medical drugs and information on acquiring these medications can be found [here](#).

If you have questions, contact your provider relations specialist.