

BCBS of NJ Increases Limits of 88305s Payable after Advocacy from CAP and NJSP

Initial Policy Overview

Effective February 25, 2019, Horizon Blue Cross Blue Shield of New Jersey (BCBSNJ) implemented a policy decision that limited the daily maximum units it would cover for Surgical Pathology Level IV Exam (88305). The limits on Current Procedural Terminology (CPT) code 88305 for a patient on the same date of service were set as follows:

- For prostate conditions, up to a maximum of 12 units were considered for reimbursement
- For gastrointestinal specimen, up to a maximum of 8 units were considered for reimbursement
- All other diagnoses for CPT code 88305 were limited to a maximum of 4 units

Under this policy, member benefits, co-payment, coinsurance, and/or deductibles would apply for participating providers. If the provider was not participating, member liability was up to the provider's charge.

NJSP and CAP Response

In response to BCBSNJ's new policy, New Jersey Society of Pathologists (NJSP) worked with the College of American Pathologists (CAP) to encourage the carrier to reconsider its policy. Beginning in September of 2019, advocates argued the policy was overly restrictive, arbitrary, and would have detrimental effects on both the administration and care given to patients. Notably, the limits imposed by BCBSNJ on code 88305 are significantly lower than those imposed by Medicare. Furthermore, the NJSP and CAP argued that not following Medicare procedures would result in undue burden being placed on pathologists to prove medical necessity of services.

In November of 2019, a formal letter was issued from CAP reiterating these concerns, and elaborating on the discrepancy between the BCBSNJ policy limits and the limit of 16 units published in Medicare Medically Unlikely Edits (MUE) policy for 88305. CAP argued there are many legitimate circumstances in which more than 4 units of service would be required, and therefore the limits should be raised to levels that would only apply to rare and atypical practices. Finally, they pointed out that the policy does not account for the fact that pathologists and clinical laboratories do not control the number of specimens sent to them, and therefore the policy is unreasonable and must be modified.

Policy Changes

On January 22nd of 2020, BCBSNJ sent a letter to CAP acknowledging the validity of their concerns and agreeing to modify their policy accordingly. With an effective date of January 1, 2020, the new policy raised the biopsy limit for prostate conditions from 12 to 16 units. The maximum units of 8 remained unchanged for gastrointestinal conditions, but all other conditions were raised from 4 to 8 units as well. BCBSNJ claims that these changes put them on par with the national average and the allowances set forth by the Centers for Medicare and Medicaid Services (CMS). Though still short of the Medicare limit of 16 for all 88305 services, these changes still mark a significant improvement for pathologists.

As always, APS will continue to monitor ongoing changes and all payer policies to ensure clients understand any policy that may affect their revenue. We will continue to identify any policy changes that seem unfair to pathologists and provide all the support we can in advocacy efforts at both the state and federal levels. If you have any questions or concerns, please contact your Practice Manager.