

# **Blue Cross of Idaho**

## ***Cash Flow Relief Program for Independent Idaho Providers***

### **Supporting Our Health Care Provider Partners in Idaho**

Blue Cross of Idaho recognizes independent health care providers in Idaho may face unique financial strain in these unprecedented times and is dedicated to supporting providers and members in our communities. Prior to the first diagnosis of COVID-19 in Idaho, BCI leaders were evaluating options to support providers who would surely be impacted. That's why we've created a program to provide cash flow relief to independent providers we know are integral to the Idaho healthcare ecosystem.

We know and expect some, if not many, providers will see significant decreases in patient volume because of stay at home recommendations and/or directives related to the COVID-19 pandemic. We know the subsequent reduction of cash flow will be a challenge in the coming weeks and possibly months.

We also know providers who are part of larger healthcare organizations will have greater ability to weather this cash flow problem; however, many clinics independently run by Idaho providers will have less capability to endure unexpected financial change.

### **Blue Cross of Idaho is Creating a Cash Flow Relief Program for Independent Providers**

We believe independent health care providers are critical to Idaho's healthcare infrastructure and Idaho communities.

- Our Cash Flow Relief Program will give independent Idaho providers the opportunity to receive advance payments to cover shortfalls in cash flow due to the COVID-19 pandemic.
- Participating practices will need to repay these advance payments but we will not charge interest.
- Independent Idaho health care providers may opt-in to this advance payment program as they deem appropriate; there is no requirement or obligation to do so. Our goal is to ensure independent providers have the financial support to remain viable during this challenging time.
- Blue Cross of Idaho will make these payment advances once per month in April, May and June, should an eligible provider choose to participate.
- BCI will recover these payment advances in the fourth quarter of 2020.

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## Cash Flow Relief Program for Independent Idaho Providers

### Program Details

**Eligible Providers:** Independent providers in the following specialties are eligible to participate in the program.

<b>Primary Care and Behavioral Health</b>	Behavioral Health ( <i>All MDs, PHDs and Master Level Counselors</i> ) Family Medicine/General Practice Internal Medicine OB/Gyn Pediatrics Independent Nurse Practitioners ( <i>acting as a PCP</i> )	<b>Additional Specialties</b>	Cardiology Endocrinology Gastroenterology Geriatrics Infectious Disease Nephrology Nurse Midwife Pulmonary Disease Rheumatology
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**Eligibility Requirements:** Providers who practice in the above specialties experiencing at least a 33% reduction in two weekly cash payments from BCI are eligible for the program. We will use the average weekly payments from November 2019 – February 2020 to establish the benchmark of our past weekly payments. If a provider experiences more than a 33% reduction in weekly payments from the established benchmark for 2 consecutive weeks after March 16, they are eligible for the advance payments.

**Advance Amount Available:**

Providers who chose to participate in the Cash Flow Relief program will be eligible for a payment advance based on the following methodology:

- BCI will determine providers average weekly payment based on paid dates between November 2019 and February 2020
- BCI will begin monitoring weekly provider payments effective March 16<sup>th</sup>. It will be the providers responsibility to monitor their own payments and contact BCI to opt-in to this program.
- Any qualified and participating provider whose payments have decreased by 33% or more, for two consecutive weeks, will be eligible to receive a monthly payment advance
- BCI will calculate the difference/deficit between the average weekly payment and the two weeks of payments that exceeded a 33% decrease.

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- The deficit from each week will be added and divided by 2 to obtain an average deficit.
- The calculated average deficit will be multiplied by 13 weeks to determine impact from April to June.
- 50% of the estimated 13-week impact will be distributed equally over 3 months based on the payment schedule noted above.
- Providers may ask to participate in the program anytime during the months of April or May and receive a pro-rata advance (or advances) for the remainder of the program.
- A provider who chooses to participate may opt out of the program at any time, but the repayment terms still apply.

*The following scenario provides a sample calculation:*

Scenario 1	
Estimated average weekly payment Nov - Feb	\$ 10,000
Week 1: March 30th payment >33% reduction from average	\$ 5,000
Week 2 (consecutive): April 6th payment >33% reduction	\$ 6,000
Total difference from estimated average and week 1 and 2 payment (\$5,000+\$4,000)	\$ 9,000
Week 1 and 2 average deficit (9000/2)	\$ 4,500
Estimated average weekly impact	\$ 4,500
Total April – June Impact (\$4,500 x 13 weeks)	\$ 58,500
<b>BCI monthly advance to clinics (\$58,500 / 3 * 50%)</b>	<b>\$ 9,750</b>

**Payback Provisions:** BCI will recover these advance payments in the fourth quarter and will do so by either billing the provider for three equal amounts or directly withdrawing three equal amounts from the providers account via ACH. Providers will have an opportunity to select their preferred repayment option during the opt-in process. The sum of the fourth quarter amounts reimbursed to BCI will equal the total of the advances made in April, May and June.

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#### **How to Enroll in the Program:**

Please send an email requesting participation to the following e-mail address. Include your practice name and tax identification number in the e-mail.

[ProviderAncillarySpecialist@bcidaho.com](mailto:ProviderAncillarySpecialist@bcidaho.com)

If you qualify for the program, we will send you a short contract to complete that specifies the advance amounts, terms and payback provisions. In order to make advances beginning in April, please return the contract by 4/08/2020.

If you have questions about the program, you may contact us at the following numbers.

#### **Provider Relations**

Local: 208-286-3602, option 4

Toll free: 866-283-5723, option 4