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January 21, 2011

Glenn Pomerantz, M.D.
Vice President, Health Affairs & Chief Medical Officer
Horizon Blue Cross Blue Shield of New Jersey
Three Penn Plaza East
Newark, NJ 07105-2200

VIA E-MAIL

Re: Horizon's Radiopharmaceutical Reimbursement Policy

Dear Dr. Pomerantz:

The Medical Society of New Jersey* understands that Horizon is currently reviewing the reimbursement policy for a number of radiopharmaceuticals that are administered during nuclear stress tests. At issue in a resolved compliance dispute under the Blue Cross Blue Shield national class-action settlement agreement was whether Horizon must reimburse for two units, one administered during the rest study and one administered during the stress study. The Compliance Dispute Resolution Officer (CDRO) ruled that Horizon was required to reimburse for both units because it had not given adequate notice, required under the settlement agreement, to change its payment policy to pay for only one unit. The CDRO did not reach the merits of the payment policy, but ruled that Horizon must follow the notice provisions to change its payment policy and reimburse for only one unit.

The New Jersey Chapter of the American College of Cardiology, American College of Cardiology, the American Society of Nuclear Cardiology, and the Society of Nuclear Medicine (the specialty societies) have brought to your attention the Trailblazer (Medicare Administrative Contractor) policy on which Horizon relied to reimburse for only one unit. The Trailblazer policy was previously rescinded based on an exhaustive analysis by the law firm of Reed Smith submitted to the Centers for Medicare & Medicaid services in May of 2010 on behalf of the Council on Radionuclides & Radiopharmaceuticals (CORAR). We have reviewed the specialty societies' careful analysis dated January 18, 2011 to you requesting that Horizon not reissue the payment policy at issue. We strongly agree with the specialty societies' position and urge Horizon not to reissue the policy for all the reasons stated. We also agree with CORAR's analysis and the patient safety issues raised by its attorneys.

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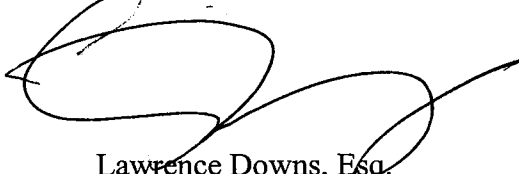
Glenn Pomerantz, M.D., Vice President, Health Affairs & Chief Medical Officer

Horizon Blue Cross Blue Shield of New Jersey

Re: Horizon's Radiopharmaceutical Reimbursement Policy

MSNJ believes that the payment policy at issue is contrary to CPT®, HCPCS, and NCCI guidelines, CMS payment policies, and coding and reimbursement guidance from all the affected specialty societies. Providers deserve clinically appropriate and consistently applied payment policies. Given the industry-wide consensus on this issue we urge Horizon not to reissue the payment policy at issue and, instead, to join the mainstream. Reissuing the policy at issue will only lead to further confusion and an added administrative burden for physicians who treat Horizon's beneficiaries.

Sincerely,



Lawrence Downs, Esq.
General Counsel
Medical Society of New Jersey

** Founded in 1766, the Medical Society of New Jersey (MSNJ) is the oldest professional society in the United States. MSNJ promotes the betterment of the public health and the science and the art of medicine, to enlighten public opinion in regard to the problems of medicine, and to safeguard the rights of the practitioners of medicine. The organization and its members are dedicated to a healthy New Jersey, working to ensure the sanctity of the physician-patient relationship. In representing all medical disciplines, MSNJ advocates for the rights of patients and physicians alike, for the delivery of the highest quality medical care. For more information visit: www.msnj.org.*