

## Change to outpatient laboratory network effective July 1

Independence Blue Cross (IBC) has selected Laboratory Corporation of America® Holdings (LabCorp), as its exclusive, nationally-based provider of laboratory services, effective July 1, 2014. The change applies to all Personal Choice®/PPO and Keystone Health Plan East product lines, and affects all individual, group commercial, and Medicare members, for services rendered in the Philadelphia five-county area, and in the contiguous counties.

Prior to July 1, 2014, LabCorp will significantly expand the number of Patient Service Centers in IBC's service area to provide convenient member access. With the addition of newly built locations, LabCorp will have approximately 169 access points, including an estimated 50 new sites in the IBC service area by July 2014. LabCorp will also provide lab work courier pick up services for all applicable participating physician offices, effective July 1, 2014.

Effective July 1, 2014, Quest Diagnostics laboratories will be an out-of-network provider for Personal Choice and Keystone Health Plan East. IBC will continue to contract with certain local and regional laboratories, and a [list of these providers](#) is available for reference.

### Why IBC made this decision

After an extensive evaluation process, IBC entered into a strategic vendor relationship with LabCorp, a leading national laboratory. This initiative will provide significant laboratory medical cost savings for the benefit of IBC's customers and is grounded in our commitment to delivering health care value, using a balanced approach that

### Important Advance Notice:

- LabCorp will be IBC's exclusive national outpatient laboratory provider as of July 1, 2014.
- IBC's contract with Quest Diagnostics® ends July 1, 2014.
- Comprehensive communications for members and customers will be developed to support this transition.
- More information including sample communications and a Frequently Asked Questions document will be made available.

considers quality, cost, and member access.

### **How this change affects members**

PPO and POS members who use Quest Diagnostics after July 1, 2014 in the Philadelphia five-county area, and in the contiguous counties, will have higher out-of-pocket costs, as these claims will be processed at the out of network benefit level.

HMO members will continue to be required to use their PCP's capitated laboratory for coverage. Primary care physicians who have selected Quest as their capitated laboratory provider will change their selection to LabCorp or another capitated lab provider. In addition, ID cards will need to be reissued for some HMO members whose PCP is currently capitated to Quest Diagnostics and we are taking steps to ensure minimal disruption in this process.

This laboratory network change does not apply to members who live, and receive services, outside of IBC's service area through the BlueCard® PPO program. These members and national customers will continue to utilize their local Blue provider network.

### **Communications**

To help customers and members with this transition, we are developing awareness and educational materials. More information including sample communications and a Frequently Asked Questions document will be made available via an eBulletin.

We have already notified physicians and will continue to conduct outreach and support efforts to facilitate accurate claims processing.

If you have questions, please contact your Brown & Brown account manager.

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