



## **MNASCA Member Forum Recap: Dialogue with Blue Cross Blue Shield of Minnesota October 24, 2025**

### **Market Pressures and Cost Trends**

Speltz began by outlining the financial pressures shaping Minnesota's healthcare market. Health plan costs have risen 8–9% for consecutive years, marking the steepest increase since 2011. Drug costs are climbing by approximately 14% in 2025, with new specialty medications reaching multi-million-dollar price points. Roughly 1% of members account for one-third of total costs, heightening the need for efficiency and cost containment.

### **Payment Methodology Updates**

BCBS continues to refine its ASC reimbursement approach following the phase-out of EAPG methodologies that caused significant rate variance.

- **2023:** Adjustments focused on orthopedic procedures.
- **2024:** Addressed spinal cord stimulator implant coding.
- **2025:** Expanded to include additional implants on the ASC fee schedule.
- Further refinements are planned for **July 2026** to continue reducing variance and aligning rates more closely with Medicare benchmarks.

Speltz emphasized that BCBS recognizes the unique operational and pricing structures of ASCs, which differ from hospital-based outpatient departments.

### **Appeals and Claims Backlog**

Much of the discussion centered on appeals, claim backlogs, and prior authorization challenges. ASCs shared reports of delayed claims—some dating back many months—causing significant operational strain.

Members also raised concerns about inefficiencies with medical record requests that contribute to the backlog. BCBS acknowledged these challenges and outlined steps being taken to address them, including:

- Hiring additional staff to clear backlogs.
- Transitioning all new appeals submissions to the Availity platform as of October 1 and offering group training sessions on Availity.
- Evaluating opportunities to streamline medical record handling and front-end claim processing.



Luke Speltz committed to escalating aged claims and following up with the appropriate internal teams. MNASCA also offered to coordinate with BCBS on a pilot program to identify process improvements and reduce administrative inefficiencies on the front end.

### **Prior Authorization and Site-of-Service Policies**

BCBS discussed plans to eliminate prior authorizations where approval rates remain high, reducing administrative burden for providers. Members also inquired about the potential return of site-of-service policies that once directed certain procedures to ASCs when clinically appropriate. Speltz noted these policies remain under review as part of BCBS's affordability initiatives, though broad implementation has proven complex among self-funded employer groups.

### **Medicare Advantage Planning**

BCBS anticipates growth in its Medicare Advantage population and is preparing operationally for an increased claims volume. Members voiced concern about the potential impact on existing backlog issues, and BCBS leadership committed to reviewing resource allocation plans.

### **Next Steps**

MNASCA will continue working closely with BCBS to:

- Monitor progress on claims backlog resolution.
- Coordinate with BCBS on Availity training opportunities for members.
- Explore a joint pilot project on front-end claim processing improvements.

BCBS has received the compiled notes and member feedback from the forum and will follow up on outstanding items, including prior authorization details, aged claim escalations, and documentation submission processes.

MNASCA plans to reconvene with BCBS in the coming months to assess progress and ensure continued collaboration on these operational improvements.

Thank you to all MNASCA members who participated in this important discussion and shared real-world experiences from their centers. Your feedback continues to drive meaningful improvements in payer relations and ASC operations across Minnesota!