PRODUCER BLAST

This email is intended for producers with business in Delaware, New York, Pennsylvania, and West Virginia.

Outpatient Surgery Site of Care Medical Policy Update

Why am I receiving this?

Highmark is committed to providing innovative solutions that help manage healthcare costs while maintaining optimal care for our members. We are introducing a medical policy update for our Commercial fully insured and Medicare Advantage members that aims to strategically align members to clinically appropriate and cost-effective settings.

What do I need to know?

Effective January 1, 2026, the Outpatient Surgery Site of Care Program will be implemented. The program aligns with a new medical policy that establishes medical necessity clinical criteria for determining an appropriate site of care for lows-risk and elective surgical procedures – hospital outpatient department (HOPD) versus an ambulatory surgery center (ASC). The site of care will be determined during the prior authorization process.

Why are we changing?

- Procedures performed in an ASC are about 45 percent of the cost of the same procedure in a HOPD setting. This initiative will help reduce unnecessary costs from surgeries performed in a hospital or outpatient setting that could safely be performed in an ASC or office setting.
- Many surgical procedures have improved in recent years to the point that long recovery periods and hospital stays are no longer required. Bariatric surgery is an example of this.
- Performing many of these procedures in an ASC has proven to be safe, efficient, more convenient, and with lower costs to members.
- Other Blue plans and national carriers have similar policies in place that allow low-risk surgeries to be performed at ASCs.

The surgical procedures and site-of-care clinical review criteria are outlined in Medical Policy Z-109 (Commercial) and Medical Policy Z-129 (Medicare Advantage), which were published on Highmark's Medical Policy Search sites on October 1, 2025. Medical policies are available here.

What do I need to do?

Inform your clients of this new program and medical policy.

- **Fully insured clients** will see this change on January 1, 2026.
- **Self-Funded clients** are not currently in scope, but will have a future opportunity to elect the program.

Questions?

Please contact your Highmark Client Manager or Sales Executive.