

izing the authorization to move ahead with this project shortly, and Health First Network should know if it's been chosen to participate by this year's third quarter. Leaders believe there's a good chance of partnering with one and possibly two different plans to participate.

In addition to the above opportunities, Health First Network will continue to search for new ways to support physicians' practices and provide value for shareholders. Network leadership is confident they can serve all constituents fairly with a balanced focus on growth and profitability.

Welcome New Members

Health First Network would like to welcome the most recent physicians who joined the Network:

- Adnan Khan, M.D. - Family Practice
- Davinder S. Sekon, M.D. - Urology
- Darrell L. Pugh, M.D. - Family Practice
- Christopher P. O'Grady, M.D. - Orthopaedics
- Benjamin F. Lloyd, M.D. - Cardiology
- Sangeeta B. Amin, M.D. - Hematology/Oncology
- Shannon Christopher Boudreaux, M.D. - Pediatrics
- Daniel Wardrop, M.D. - Radiology

TIME TO KICK SOME BUTT

2007 SPOTLIGHT

In March, Health First Network will sponsor an anti-tobacco event for all ninth and tenth graders in Escambia and Santa Rosa Counties. The organization is joining with the Navy, school districts, Health Department, and United Way to bring Patrick Reynolds, son of the founder of RJ Reynolds and nationally recognized anti-smoking speaker, to the region for three days.

This event, grown out of Partnership for Healthy Kids, will encourage students to "kick butts."

VISIT US ONLINE AT WWW.HFNI.COM



Connect To Good Health

715 South Palafox Street, Pensacola, FL 32502

Direct 850.438.0818 Toll Free 866.347.0818

Fax 850.438.0298

Health First Network is an integrated, comprehensive network of physicians dedicated to improving the health care experience and quality of life of people in our community.

DID YOU KNOW?



by Dr. William Whibbs

The Tax Relief and Health Care Act of 2006, section 202, mandates that Medicare Part B will cover the administration of vaccines covered under Part D of Medicare for 2007, only.

A new G code (G0377) has been created for the administration of Part D vaccines and payment for G0377 will be cross walked to CPT code 90471 for one year. When a physician administers a Part D vaccine, the physician should use G0377 to bill the carrier for the administration of the Part D vaccine. Payment for Part D covered vaccines is made solely by the participating Prescription Drug Plan. Medicare Part B will not pay for the vaccine itself.

Health First Network has been notified by Pharmacy Management at WellCare that the recently approved FDA Shingles vaccine, Zostavax, has been approved as a Medicare Part D vaccine. Physicians can bill for the administration of the vaccine under the new “G” Code G0377. Health First Network is no longer responsible for payment of the vaccine.

For more information:

MEDLEARN Matters Bulletins

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5443.pdf>

MM5459 – Emergency Update to the 2007 Medicare Physician Fee Schedule Database (MPFSDB)

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5459>

RETHINKING CONNECT: BUILDING ON A SUCCESSFUL COMMUNICATIONS TOOL

Health First Network launched Connect nearly four years ago in an effort to communicate effectively with physicians. Just recently, the organization conducted a brief survey to measure its success. A similar survey is included in this newsletter to further determine readers’ hopes for future issues.

A few ideas we are already implementing include a new column, “Did You Know?,” written by Dr. William Whibbs, offering physicians and office administrators the latest information regarding new providers, new facilities, new information about coverage issues and more. We are also introducing the option to receive Connect via e-mail (see survey). The online version will feature a brief e-newsletter, highlighting headlines and overview information, as well as the full version.

REFLECTING ON 2006: A YEAR MARKING CHANGE, SUCCESS, AND OPPORTUNITY

One year ago, Health First Network announced its plans to terminate its contract with Health Options Inc., and Blue Cross Blue Shield of Florida. In the weeks that followed, we received many phone calls from physicians and office administrators who expressed concern that this decision spelled the end of the network. We assured them otherwise. Thanks to a visionary Board of Directors, Health First Network not only withstood the transition but also just completed its most profitable year in business.

This success resulted in large part because of the leadership’s decision made a few years back to concentrate on full medical risk Medicare and Medicaid managed care businesses. By expanding responsibility beyond the professional component of health care and through more effective management of facility and pharmacy expenses associated with government populations, the network has achieved significant cost savings. And, the good news is, Health First Network accomplished this without taking money away from physicians. As a matter of fact, the organization continues to pay above market rates for Wellcare and HealthEase products.

Throughout 2006, Health First Network leadership also made a number of notable changes with regards to how business is conducted. For starters, Health First Network and Wellcare brought a full-time coder on board to work with offices as a means to help improve accuracy and specificity of coding, which may result in an increase in physician compensation. They also increased the level of case management and implemented four disease management programs. Furthermore, Health First Network purchased a service using predictive modeling software to help identify individuals with potential health issues so physicians and case managers can, in turn, coach them to adopt healthier lifestyles.

Last year, Health First Network also began working with vendors to identify products that might help practices reduce or better manage costs. Efforts included arrangements to purchase paper supplies at a discount, improve collections, and manage insurance remittance processing.

Finally, the network expanded its outreach into the community with the creation of Partnership for Healthy Kids. This group, consisting of representatives from the Health Department, school system, United Way, and various charitable organizations, seeks opportunities to educate children about the benefits of healthy living.

Partnership for Healthy Kids debuted by hosting Asthma Night, which was well attended and received. Since then, Health First Network, in conjunction with this partnership, has worked with local author John Appleyard to write a children’s book focusing on how to access and utilize healthcare services, for distribution to all fourth graders in Escambia and Santa Rosa Counties.

Hats off to a successful 2006—a year in which the organization not only navigated through a major transition but also set the stage for an exciting year ahead in 2007.



EMBARKING ON A NEW YEAR

Looking ahead, we envision many new and exciting opportunities. First, we will continue to grow our relationship with WellCare by continuing WellCare’s Medicare Advantage product, with the hope of growing that segment of the business. Physicians will play a role in this growth through open enrollment at the end of 2007.

As we go to press, we are also considering expanding our Health Ease Medicaid line into Okaloosa and Walton counties. Health First Network staff is in the midst of securing contracts with physicians in these markets, and is optimistic it can recruit enough to establish a viable network.

This year, Health First Network leaders also anticipate learning more about their desire to partner with health plans interested in obtaining the license for the Florida Senior Care demonstration project for Northwest Florida. The legislature will consider final-