

**Outsmarting Brain Tumors:
A Free Community Conference on Adult and Pediatric Brain Tumors
March 4, 2005 and March 5, 2005**

**“THE MONEY TRAIL:
UNDERSTANDING YOUR HEALTH PLAN”**

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UNDERSTANDING YOUR HEALTH PLAN

•WHAT ARE WE TALKING ABOUT?

- Managed Care
 - Health care services provided to a defined population for a defined cost, subject to a variable amount of control by the payer
- Case Management:
 - A system of patient care delivery that focuses on the achievement of outcomes within effective and appropriate time frames and resources

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UNDERSTANDING YOUR HEALTH PLAN

- Indemnity
- no restrictions on providers
- may participate in precertification of elective admissions
- may do case management of catastrophic cases



UNDERSTANDING YOUR HEALTH PLAN

- Preferred Provider Organization (PPO)
 - institutional and professional providers are under contract to provide care at a discount or for a fixed fee
 - financial incentive to the insured to use contracted providers is that providers cannot charge the insured the difference between contracted rate and what their charges are
 - insured can go “out of network” but may have a larger financial liability
 - emergency services provided outside of network may be authorized if true medical emergency can be established
 - all elective admissions must be precertified or there may be a penalty applied to the insured
 - case management by the health plan of all catastrophic cases



UNDERSTANDING YOUR HEALTH PLAN

•KNOW YOUR PLAN TYPE & AUTHORIZATION REQUIREMENTS

- Exclusive Provider Organization (EPO)
 - type of PPO
 - insured must use contracted providers to have any reimbursement by health plan
 - emergency services provided outside of network may be authorized if true medical emergency can be established
 - all elective admissions require precertification
 - case management of all catastrophic cases



UNDERSTANDING YOUR HEALTH PLAN

•KNOW YOUR PLAN TYPE & AUTHORIZATION REQUIREMENTS

- Health Maintenance Organization (HMO)
 - responsible for both the financing and delivery of comprehensive health care services
 - insured must pick primary care physician from a contracted medical group
 - uses primary care physicians (PCP) as gatekeepers
 - authorizations come from medical group/PCP, not health plan
 - all non-emergent services, with the exception of visits to PCP, **MUST BE** pre-authorized
 - emergency services provided outside of network may be authorized if true medical emergency can be established
 - services provided outside of network must each have their own individual authorizations
 - self referral can result in total financial liability for services provided
 - case management can be either health plan or medical group based



UNDERSTANDING YOUR HEALTH PLAN

•KNOW YOUR PLAN TYPE & AUTHORIZATION REQUIREMENTS

- Point of Service (POS)
 - combines HMO and PPO features
 - becoming more popular since gives insured more freedom of choice
 - permits the insured to pick provider-payment combination when seeking care
 - allows insured to go outside of HMO network as long as using preferred providers
 - increases the insured amount of financial liability
 - does set limits on how many \$'s will be spent each year on non HMO provider charges



UNDERSTANDING YOUR HEALTH PLAN

•KNOW YOUR FINANCIAL RESPONSIBILITY

- Co-payment
 - the amount that the insured is responsible for of charges for services
 - may be a flat amount or a per-cent of charges
 - 20% of charges
 - \$15.00 per office visit
- Deductible
 - the amount the insured must pay prior insurance payments for covered services begin
 - usually based on calendar year
- POS co-payments
 - financial liability when going out of HMO "network" to receive services
 - know maximum that health plan will pay for POS services



UNDERSTANDING YOUR HEALTH PLAN

•KNOW YOUR BENEFITS

- Acute Care Benefits
 - services that can be provided only in a acute care hospital
 - know how much your plan covers
- Acute Rehabilitation Benefits
 - provided in a acute rehabilitation facility
 - services focusing on returning patient to pre-episode of illness functional level
- Skilled Nursing Benefits
 - services which require a licensed professional
 - may be rehabilitative in nature
 - may be limited by number of days



UNDERSTANDING YOUR HEALTH PLAN

•KNOW YOUR BENEFITS

- Home Care
 - patient must be home bound by illness
 - care is intermittent
 - may be limited by number of visits
- Outpatient care
 - provided in ambulatory care setting
 - may be limited by number of visits



UNDERSTANDING YOUR HEALTH PLAN

•KNOW YOUR BENEFITS

- Catastrophic Coverage
 - a benefit to protect insured from extraordinary expense as a result of a serious or prolonged illness or injury
 - most plans place maximum dollar amounts how much the plan will pay out during the individual's lifetime
- Lifetime or Calendar Year Maximum
 - maximum amount that a health plan will pay towards claims either in the insured lifetime or for a calendar year
- Out of Pocket Maximum
 - maximum amount that an insured will have to pay for expenses covered under the plan
- Pharmaceutical Coverage
 - does the plan cover all prescription medication
 - what is the co-pay

