

**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

*Center for Case Management
New England Medical Center*



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UNDERSTANDING YOUR HEALTH PLAN

KNOW YOUR PLAN TYPE & AUTHORIZATION REQUIREMENTS

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



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UNDERSTANDING YOUR HEALTH PLAN

- KNOW YOUR PLAN TYPE & AUTHORIZATION REQUIREMENTS
 - 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



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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



•ADVICE FOR DEALING WITH YOUR INSURANCE COMPANY

- **Get a copy of your policy and review it carefully**
 - **know what services are covered**
 - **know how payment system works**
 - **be aware of lifetime limits**
 - **look into purchasing additional coverage**
- **Ask for a case manager to be assigned**
- **Document every phone call**
 - **write down name, date time and topic discussed**
- **Fill out every form completely**
- **Know what the authorization process is and keep a copy of ever authorization**



FINANCIAL RESOURCES

- Medicaid (Medi-Cal):

- Government program
- Provides insurance for low income patients
- Entitlements vary among states
- Department of Human Services or Department of Public Assistance can help you determine if you are eligible and inform on how to apply

- Supplemental Security Income (S.S.I.):

- May provide source of income for a child who is ill or has a handicapping condition
- Qualification based on parents income
- Will also entitle child to Medicaid (Medi-Cal)
- Check with your local Social Security Administration office for application



FINANCIAL RESOURCES

- **State Catastrophic Illness Coverage**
 - State insurance may be available if your insurance does not include catastrophic coverage
- **Family Medical Leave Act**
 - Inacted in 1993
 - Requires employers to continue health insurance for up to 12 weeks
 - Can take up to 12 weeks either paid (based on benefits) or unpaid leave (at the discretion of your employer) within a 12 month period
 - If FMLA used, you are guaranteed your job or a equivalent job at equal pay and benefits level
- **California Children Services (C.C.S.)**
 - Eligibility based upon diagnosis and financial screen
 - Can provide for supplement coverage
 - Many resources not covered by private health plans

