FAQ: Our Health Plan and Value-Based Payments.

Take charge of your health care costs.

We're always working to ensure providers are charging you a fair price for medical procedures. That's why we are changing the way we handle hospital benefits by introducing value-based payments.

What is Value-Based Payments (VBP)?

Value-based payments is a transparent way of determining how much hospitals will be paid for certain services. It works by reimbursing hospitals based on a reference price: Medicare (plus a percentage). Because it is fully transparent and based on costs, the end result is a price that is fair to both the hospital and the patient. Value-based payments provides open access to facilities with no network restrictions.

How is the reference price determined?

With VBP, the health plan sets a maximum price it pays for certain medical procedures (the "reference price"). The reference price is based on the amount Medicare pays for the same procedures plus a percentage. The maximums are set with location in mind, so they differ based on where you live.

Can I see an example of pricing?

Your costs will vary depending on the provider and facility, but they will be lower than with a traditional health plan. Here is an example compared to a traditional health plan.

Sample Procedure	Traditional PPO	Our VBP Plan
Starting Price:	$75,000 (What the Hospital wants to bill)	$15,000 (What Medicare would pay)
Plan Price:	$45,000 (Hospital agrees to 60% of the bill)	$22,500 (Hospital agrees to 150% of Medicare)
Coinsurance:	You pay 20%	You pay 20%
Your Bill:	$9,000	**$4,500***

**You pay the listed deductible and coinsurance, up to the annual out-of-pocket maximum.*

How does it work with my doctors?

Value-based payments affects care at hospitals. Physicians and other non-hospital providers are covered under the (PPO) network. When you see your physician or a specialist, your plan is unchanged. Our PPO plan gives you access to a wide network of physicians, and you will pay the lowest rates when you use in-network physicians. You are also covered when you go out-of-network, although your costs may be higher.

Does VBP apply to any procedure I might receive?

VBP only applies to certain medical procedures and facility claims such as hospitals, surgery centers, outpatient facilities and dialysis. Physicians and other non-hospital providers are covered under your (PPO) network.

How do I know how much I will be charged for a procedure?

Your physician will recommend a facility, as usual. They will then pre-certify your treatment based on the plan guidelines. A fair price is set for the service, based off of the rates established by Medicare. The hospital (or other facility) is advised up front of the price – which is almost always lower than what the hospital would normally charge. You will be responsible for the deductible and coinsurance as usual, up to the annual out-of-pocket maximum.

In some cases, the plan will recommend alternate facilities – this sometimes happens if the hospital and the plan cannot agree on a price. When possible, you should choose one of the recommended facilities – your costs will be lower.

Can I use a different facility from the ones the plan recommends?

Yes, but your costs may be higher. The facility may also send you a bill for an additional balance, in which case you should contact the Patient Advocacy Center (see below).

Will my provider accept VBP?

Providers are required to adhere to your benefit plan. If a hospital has questions, they will confirm your coverage by calling the telephone number on your identification card.

Do I have to choose from a network of hospitals?

No. You may choose any hospital, but your costs will be lower if you follow the plan's recommendations.

What happens if a provider balance bills me?

If a provider sends you a bill for services above and beyond your deductible and coinsurance, don't pay the bill! Instead, contact the PAC: a patient advocate will take over your case and deal directly with the hospital so you don't have to.

The PAC is operated by HST, the company retained by us specifically to manage medical costs. The PAC is available Monday – Friday from 7:00 a.m. to 5:00 p.m.

Tel: (888) 837-2237
E-mail: pac@hstechnology.com
Fax: (949) 891-0420

When to use the Patient Advocacy Center (PAC)

Dealing with medical claims is never easy. If you receive a balanced bill, contact the PAC immediately.

A Patient Advocate will contact your provider and do the work so you won't have to. They will handle all the communications with the facility on your behalf. They will notify you when the dispute is resolved.