



# Healthcare Foundations

Benefits and Providers

Learning Services

# Agenda

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## Benefits

- Identify the three out-of-pocket expense types
- Types of Medical Services

## Providers

- Identify five provider types
- Provider Credentialing
- Contracting Process



# Benefits

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# Benefits

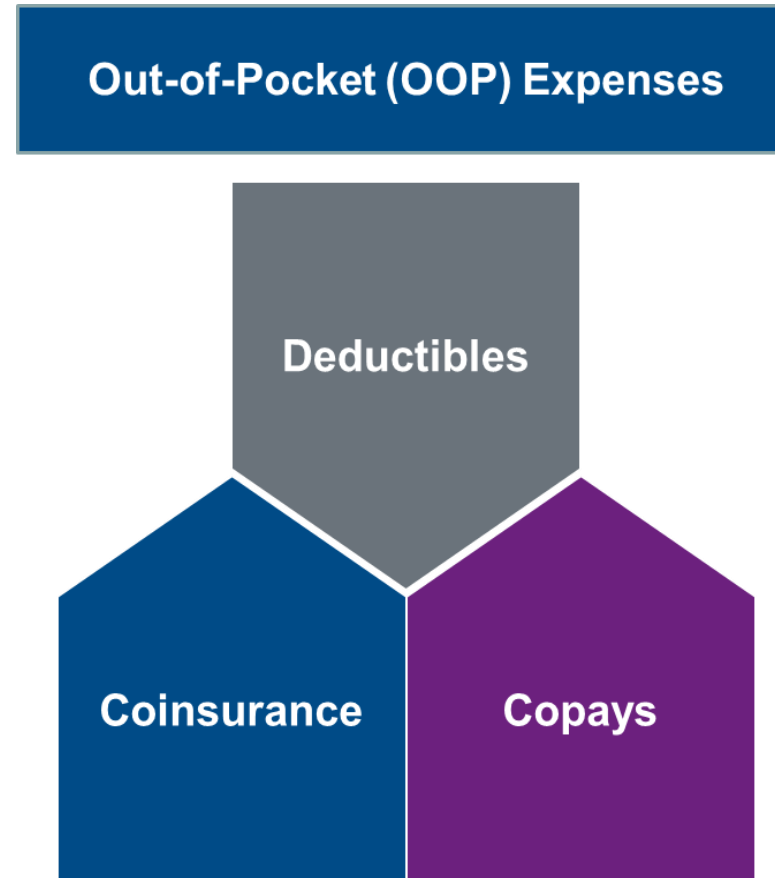
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## What are Benefits?

- Services covered by a member's health plan
- Common in a normal course of treatment
- Out-of-pocket expenses link to benefit types

# Out-of-Pocket Expenses

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# Deductibles

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## Out-of-Pocket (OOP) Expenses

### Deductibles

- Amount of out-of-pocket expense paid by member before plan pays
- Member pays 100% of plan-approved fee up to deductible amount

# Coinsurance

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## Out-of-Pocket (OOP) Expenses



### Coinsurance

- Amount member pays to healthcare provider for medical services:
- Based on health plan's approved fee
- Plan pays a percentage
- Member pays remainder

# Copays

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## Out-of-Pocket (OOP) Expenses

- Fixed dollar amount paid by beneficiary
- Due at time of service
- Services such as office visits, chiropractic services, etc.

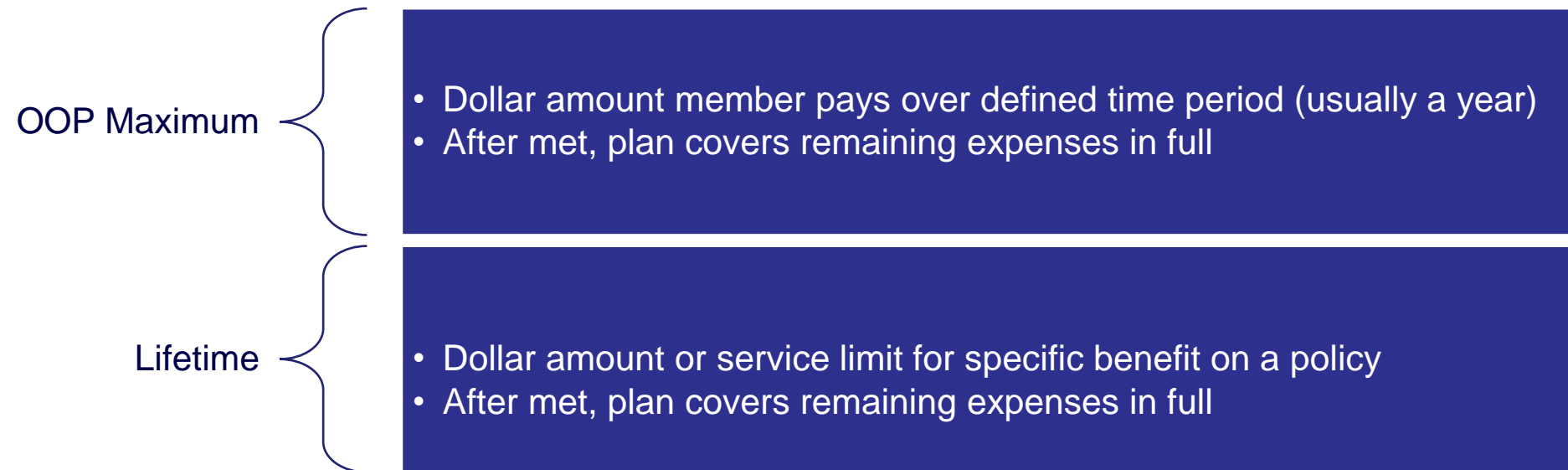


Copays



# OOP Maximums

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# Preventive Care

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Comprehensive care that emphasizes:

- Prevention
- Early detection
- Early treatment of conditions

Services include:

- Screenings
- Tests
- Vaccinations
- Routine exams
- Education

# Medical Care

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Comprised of medical outpatient services

Services include:

- Physician services
- Outpatient medical treatments
- Outpatient surgical services/supplies
- Diagnostic tests
- Ambulatory surgical facility fees

# Hospital Care

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Hospital services are delivered while inpatient in an acute care hospital

Services occur in:

- Critical access hospitals
- Inpatient rehabilitation facilities
- Long-term care hospitals
- Mental health facilities

# Surgical Care

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Services pertaining to surgical procedures

Performed in a variety of settings

- Place of service determines benefit level

Surgical service examples:

- Knee replacement (Inpatient)
- Open heart surgery (Inpatient)
- Hernia repair (Outpatient)
- Appendectomy (Inpatient)

Benefits split:

- Facility services
- Physician services

# Durable Medical Equipment (DME)

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Equipment for repeated use for a medical purpose

Examples of DME are:

- Hospital beds
- Walkers
- Wheelchairs
- Crutches
- Shower bench

Some items purchased – some rented

# Pharmacy

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Drugs or medicine provided by a pharmacy for use in medical treatment

Examples include:

- Self-administered drugs
- Injectable medication
- Oral chemotherapy
- Meds used with DME (e.g., nebulizer)

# Home Healthcare

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Short-term skilled care in the home or facility where member resides

Examples of services include:

- Medical social worker
- Part-time occasional skilled nursing care
- Physical therapy
- Speech-language therapy
- Occupational therapy



# Hospice

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Care provided to terminally ill patients in home, long term care, or inpatient facility

Member must qualify for services - Doctor must certify:

- Member is terminally ill
- Member is expected to live 6 months or less

# Vision – Medical Benefit

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## Vision services for medical conditions:

- Glaucoma
- Conjunctivitis – (Pink eye)
- Eyeglasses/frames/contacts after cataract surgery

## Not for services related to non-medical conditions:

- Nearsighted
- Farsighted
- Unless rider or add-on benefit available

# Hearing – Medical Benefit

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Hearing services for medical conditions

- Example: physical damage to the ear

No coverage for non-medical:

- Hearing loss
- Hearing aids
- Unless rider or add-on benefit available

# Dental – Medical Benefit

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Dental services related to a medical condition:

- Example: temporal-mandibular joint syndrome – TMJ

No coverage for non-medical dental services:

- Example: tooth decay

Coverage for dentures or routine dental care may be covered by member's dental insurance



# Providers

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# Providers

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**Providers Defined...**

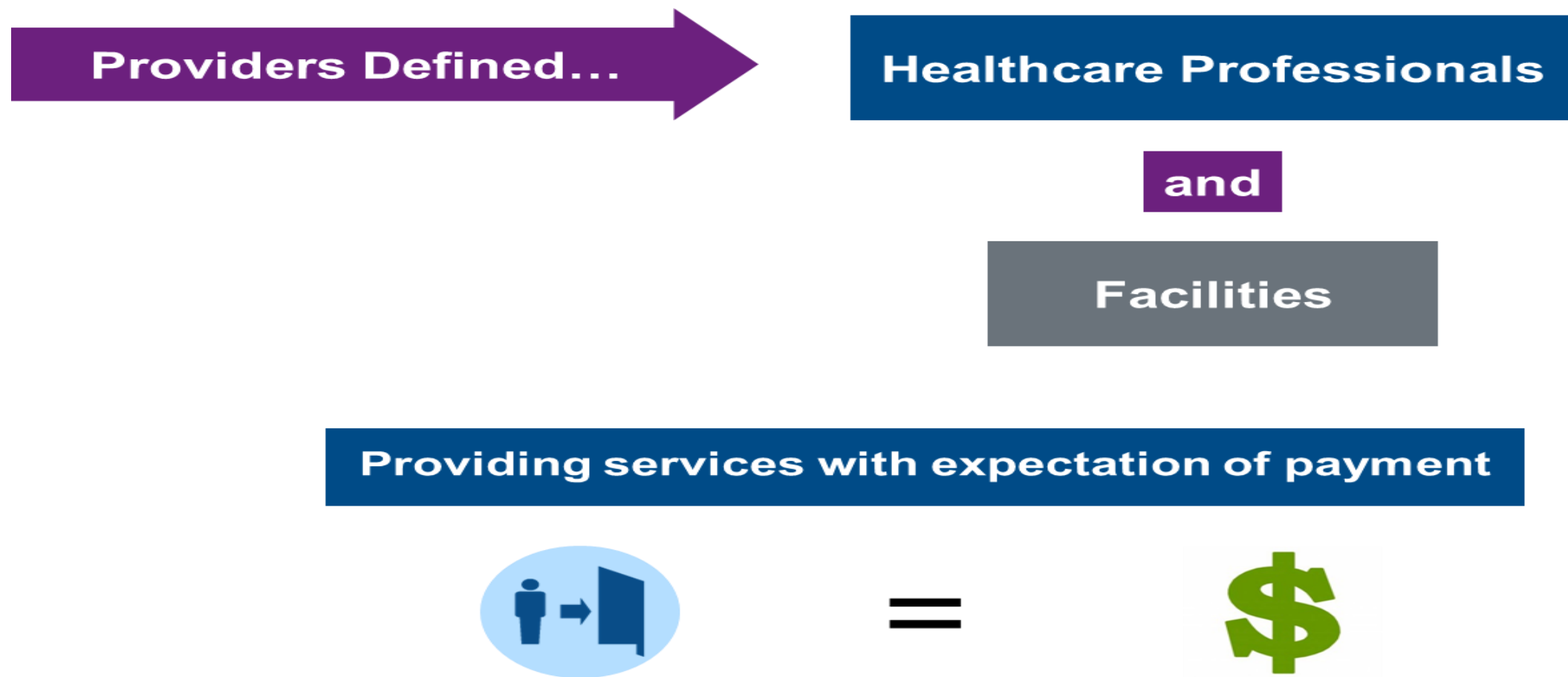
**Healthcare Professionals**

**and**

**Facilities**

# Providers

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# Providers

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# Provider Participation Process

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Step 1



Step 2



Step 3



Step 4

**Provider  
Interested in  
Plan  
Participation  
or Recruited**



# Provider Participation Process

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Step 1

**Provider  
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Step 2

**Credentialing  
Process for  
acceptance  
in Plan**



Step 3



Step 4



# Provider Participation Process

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Step 1

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Step 2

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Step 3

**Contracting  
with Plan  
Lines of  
Business**



Step 4



# Provider Participation Process

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**Provider  
Interested in  
Plan  
Participation  
or Recruited**

**Credentialing  
Process for  
acceptance  
in Plan**

**Contracting  
with Plan  
Lines of  
Business**

**Participation  
with Payer  
Approved**



# Contracting

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Contract participation hinges on credentialing approval.

Contract offered based on:

- Type of provider
- Contract participation type (HMO, PPO, Medicaid, Medicare)
- After contract signed, provider considered in-network, contracted provider

# Networks

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## Groups of aligned providers

- Fee-for-service
  - Set fee for agreed upon services
- Capitated
  - Spreads risk
  - Increases exposure to patient population
  - Paid Per Member Per Month (PMPM) fee

# Thank you