

# MEDICAL PLAN OUT OF NETWORK INFORMATION

## Out-of-network care ('High PPO')

Your health plan provides coverage for services from doctors and facilities that are not in your plan's network. But if you receive covered out-of-network care, your share of the costs (i.e., deductibles, copays or coinsurance) will usually be higher than if you receive those services in-network.

## Maximum reimbursable charge:

There's a limit to the amount your plan will pay for covered out-of-network services called the **maximum reimbursable charge (MRC)**. An out-of-network doctor or facility can bill you directly for any amount above your plan's MRC. This is often referred to as "balance billing." You will be responsible for paying that amount and these payments do not apply to your deductible or out-of-pocket maximum.

## How is a maximum reimbursable charge determined?

### 'High PPO'

- Out-of-network services are paid based on Cigna's allowable amount which is 150% of Medicare for the services provided. The patient is responsible for any charges billed that exceed the Plan's allowable amount and all expenses not covered by the health plan. The plan's Maximum Out Of Pocket limit does not protect you from excessive billing practices from out of network providers.

### Example:

Normal Delivery: Member is enrolled on a PPO plan and sees an out of network OB/GYN to deliver the baby. The doctor charges \$6,500 for the delivery and 150% of Medicare is calculated at \$5,500.

*\*please note this purely for illustrative purposes*

Category	Delivery	Comment	Does this apply to Out-Of-Pocket Maximum?
Billed	\$6,500		
Allowed	\$5,500	150% of Medicare	
Not Covered	\$1,000	Above UCR	No – amounts above UCR do not apply to OOPM
Deductible	\$3,000		YES
Amount Allowed after deductible applied	\$2,500	$\$5,500 - \$3,000 = \$2,500$	
Plan 70% Coinsurance	\$1,750	$\$2,500 \times 70\% = \$1,750$	
Member 30% Coinsurance Responsibility	\$750	$\$2,500 \times 30\% = \$750$	YES
Plan Pays	\$1,750		
Member Responsibility	\$4,750	Consists of \$3,000 deductible + \$750 Member Coinsurance + \$1,000 above UCR	\$3,750 goes towards the OOP. The \$1,000 above UCR is the member responsibility

Be sure to review the plan disclosures and plan documents within the company benefits website or ask your employer for copies.