

The Out-of-Network Blues – How You Can Help

As a Medical Claims Advocate, I encounter a variety of issues employees have with their health plan and medical bills. The number one complaint from an employee is, “I went to an in-network hospital. Why do I have all of these out-of-network bills?” This follows with a comment such as, “I thought I had GOOD insurance!”

The response to the employee is to assure him he did the right thing- he went to an in-network facility. However, there are groups of physicians that work at facilities who may not be in-network. Consider the following scenario:

Your employee is referred to an in-network surgeon for removal of his appendix. The surgery is booked at a local in-network hospital. The patient reports to the hospital for a preoperative work-up which includes a chest x-ray. The patient has surgery under general anesthesia. Three weeks later your employee gets out-of-network bills from the:

- Radiologist- for interpreting the chest x-ray.
- Anesthesiologist- for anesthesia during surgery.
- Pathologist- for examining the appendix that was removed during surgery.

Unknowingly, your employee just incurred a couple of thousand dollars in out-of-network bills! Your employee is back at work after medical leave, mad and in Human Resources looking for answers.

This problem is an old issue and is rapidly growing out of control. Hospitals contract with radiology, pathology, and anesthesia to exclusively provide services to patients at their facility. However, some facilities do not require their contracted physicians to have similar agreements with managed care organizations. For instance, a facility may have a network agreement with Blue Cross. However, if the anesthesia group practicing at the facility does not have a Blue Cross contract, the patient will be responsible for out-of-network anesthesia charges.

As a Benefits Manager, you may think this is beyond the scope of what you can control. You may even think it is not a big issue. However, if it happened to one employee, it can happen to YOU, your C.E.O. or anyone within your organization. The actions you take can prevent this scenario from costing your employees future out of pocket dollars. Here are some steps to make sure it does not happen to other employees.

First, ask the employee for the following information:

- Names and phone numbers of the physicians/physician groups that are billing him for out-of-network services.
- Name and phone number of the facility where the employee had surgery.
- Date of surgery.

Next, positively confirm these doctors are indeed out-of-network by looking at your insurance companies Provider Directory. Make sure your employee is providing you with accurate information before you proceed to the next step.

The next step in the process requires you to research the hospital online find the name of the Chief Executive Officer or Chief Operating Officer of the facility in question. Once known, call the hospital and speak with the C.E.O. or C.O.O. Let them know you are the Benefits Manager for your company and you would like to discuss a coordination of care issue at their facility. When you speak with someone in authority, explain how dissatisfied you are that your employee sought care at an in-network facility, and was then bombarded with out-of-network bills. If you are unable to speak with anyone on the phone, write certified letters expressing your dissatisfaction to BOTH the C.E.O. and C.O.O. Ask them to address the issue of ensuring that their contracted physicians are in-network. A good hospital administrator does not like to have bad press with local employers....especially a large employer. If you are a smaller employer, you may not make

a huge impact, unless other small employers complain as well. A hospital administrator has the ability to pressure contracted physicians into negotiating contract deals with insurance companies.

While you are contacting facility administrators, also contact your insurance broker. Let him know you are dissatisfied with the "network". Ask his assistance in informing your insurance carrier that the "network is inadequate." These are key terms that insurance companies do not like to hear from employer groups. Let the insurance company know that if they intend to keep your business, they need in-network physicians at network facilities. The change may come slowly, but making the effort will be worthwhile.

What you do NOT want to hear is this answer: "Our physicians are out-of-network but we will treat the patient as if they are in-network". This is not an acceptable solution. This means the physician is going to offer the patient the same discount on services that would normally be applied if the physician had an in-network agreement with the insurance company. This is not a viable solution. They are still out-of-network, and in most cases, the charges are applied to the out-of-network deductible. Thus, the patient is still out of pocket for service that should have been covered under the in-network deductible.

The best you can do as a Benefits Manager is rattle some cages hoping change may happen at the facility. If the facility does not cooperate, the best your employee can do now is negotiate the out-of-network bills.....which will be my topic for next time!

Author:
Becky Stephenson, RN, MBA, CPC, CPC-H
Partner, Central Regional Office at Health Benefit Advocate
T: 866.497.7892