

Managed Care Leasing



Is it affecting your
practice?

Lynette Contreni Bernier, CB&C Inc.

November 14, 2007

CB&C, Inc.

- ⌘ We are a billing, collection, & consulting company servicing the chiropractic community since June 2000.
- ⌘ We have assisted many chiropractic offices in achieving a higher level of profitability and a less stressful office environment



Outline



- ⌘ What is 'managed care leasing'?
- ⌘ How does it effect managed care contracting and impact out of network fee schedule reductions?
- ⌘ Is it affecting you?
- ⌘ How do YOU evaluate your EOBs?
- ⌘ If it is affecting you, what can you do about it?

Managed Care Contracts

Doesn't signing a contract mean:

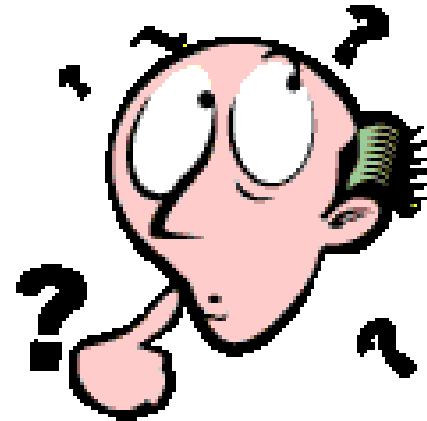
- ⌘ Provider is now 'in-network'
- ⌘ Provider is now 'in the book' to bring in new patients and also referrals from PCPs
- ⌘ Provider obligated to accept fee schedule



Unfortunately - That is not necessarily the case anymore!

Signing a contract now and more importantly the contracts you signed years ago may not be being used in that way anymore!

- ⌘ Managed care contracts are now allowing ins carriers to take '*fee schedule reductions*' on 'out of network' payments?

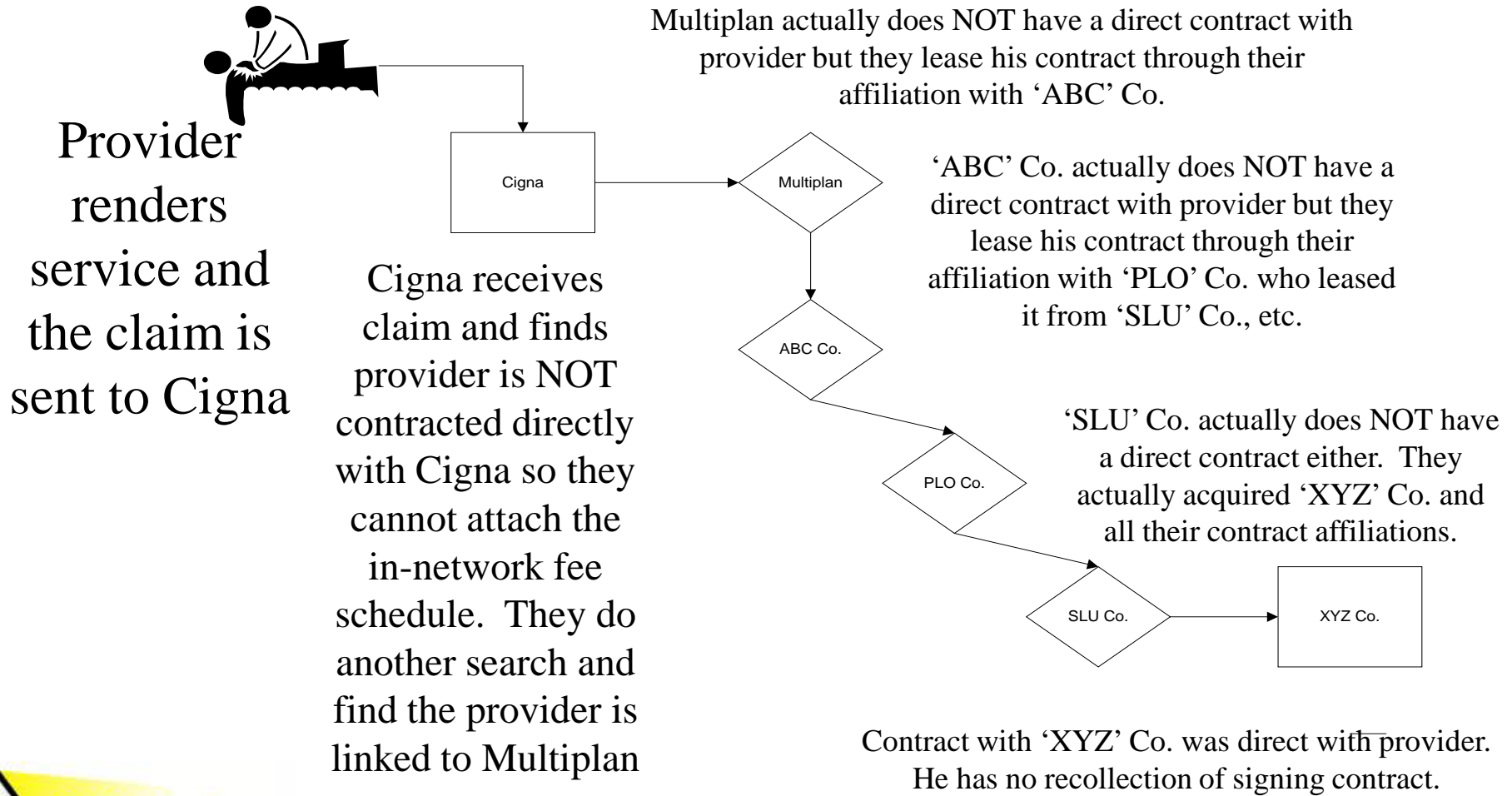


When & how did this happen?

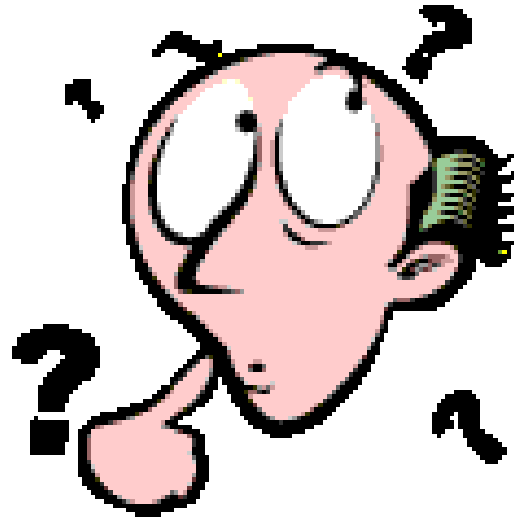
The 'Shake Down' we found during our last 4 Practice Assessments



True story of how managed care leasing effected a provider's out of network reimbursement



So Again - How Can this Happen?



And more importantly - is it
happening to YOU!

Examples - United Healthcare

⌘ An out of network EOB paying at R&C

UHC @ R&C

⌘ An out of network EOB after a reduction has been applied - 1



UHC Multiplan

⌘ An out of network EOB after a reduction has been applied - 2

UHC First Health Gp

⌘ An out of network EOB after a reduction has been applied - 3

Examples - Aetna



⌘ An out of network
EOB paying at R&C

Aetna @ R&C

⌘ An out of network EOB
after a reduction has
been applied

Aetna FEDMED-IHP

Examples - Oxford

⌘ An out of network EOB paying at R&C

Oxford @ R&C

⌘ An out of network EOB after a reduction has been applied - 1

Oxford Multiplan

⌘ An out of network EOB after a reduction has been applied - 2

Oxford 3rivers

Examples - Cigna

⌘ An out of network EOB paying at R&C

Cigna @ R&C

⌘ An out of network EOB after a reduction has been applied - 1

Cigna Multiplan

⌘ An out of network EOB after a reduction has been applied - 2

Cigna Beech Street

Additional Examples

⌘ Some managed care networks commonly referenced on EOBs with reductions

- ☒ Multiplan
- ☒ Beech Street
- ☒ First Health Group
- ☒ Fed/Med IHP
- ☒ and so many more

⌘ Some insurance carriers contracting with managed care networks to find ways to reduce out of network payments

- ☒ Aetna
- ☒ Cigna
- ☒ UHC
- ☒ Oxford
- ☒ Mail Handlers
- ☒ Fiserv
- ☒ and so many more

Is There Still A Balance?

Doesn't 'participation' mean this:

⌘ The 'negative' -

- ☑ Provider is obligated to accept a substantially lower fee schedule



Since when does 'participation' mean this?:

⌘ The 'negatives' -

- ☑ Provider is obligated to accept a substantially lower fee schedule
- ☑ Provider is NOT in-network, NOT in the book or on the list and NOT available to receive in-network referrals
- ☑ Higher out-of-network deductibles and coinsurances STILL apply



⌘ The 'positives' -

- ☑ Provider is now *participating*
- ☑ Provider is 'in the book' / 'on the list'
- ☑ Potential higher patient volume
- ☑ Receive in-network referrals
- ☑ In-network copays apply instead of high out-of-network deductibles and coinsurance's

⌘ The 'positive' -

- ☑ ????????????

Evaluate your EOBs

⌘ Are you a participating provider?

- What managed care contract / fee schedule applies?
- Is it paid at the correct patient benefit?

⌘ Are you a non-participating provider?

- If your fees are within R&C, your billed amount and allowed amount should be equivalent to each other
- If not, was any information indicating the policy pays other than R&C? (UHC, Aetna, Cigna, locals, etc sometimes have policy limitations)
- Is the claim then paid at the correct patient benefit?

If it is happening to you what should you do now?

⌘ Remain in network OR terminate your contract?



Evaluate your Options!

- Each provider needs to evaluate each situation individually
- What other contracts will be effected by terminating?
- Is it possible for an exception to be written into your contract that it not be leased & only be used in the way you initially intended.
- Has your patient base increased through this contract?
- Have doctors referred patients to you because they know you are a participating provider with this particular contract?
- Remember that you originally signed on to be an 'in-network' provider . With this leasing & buying/selling/merging of companies, unless you have a 'direct carrier contract' - you are 'out of network' provider!
- If the repercussions outweigh the benefits – you may want to get out!!

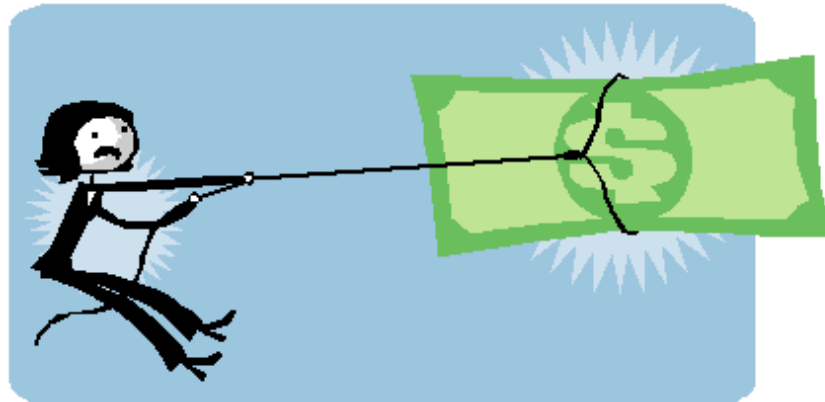
If your Decision is to Terminate your Contract...

⌘ Your experience may make you feel like you are being run through a maze!!!



- ⌘ Isolate where the contract initiated. You may get lucky and find it directly through the first call!
- ⌘ Send a certified letter of termination to the managed care company. If there is more than one, send one to each.
- ⌘ Request a letter back from them stating exactly when your termination will be effective. Do not be misled by the managed care company stating they do not issue such letters – DEMAND ONE.
- ⌘ You may leave multiple messages - Do not give up when you call! This may be exactly what they want to happen.

Once you are out can you get 'pulled' back in?



This practice of being able to reduce out of network reimbursement is very enticing to the insurance carriers and has spread dramatically in the last 2 years. There are always new relationships from managed care leasing and the buying/selling/merging of these managed care networks

CB&C, Inc.



Contact us at:

CB&C, Inc.

195 North Church Road

Franklin, NJ 07416

PH: 973-827-3544

FX: 973-827-3588

Email:

CBCTeam@CBCBilling.com