

BTA Health Benefits Newsletter 5/15/12
Hospital Care

When you use a hospital for either outpatient or inpatient care the amount you pay out of pocket relies on a number of factors. For example, there are three categories of Hospital to consider in terms of health benefit coverage:

- 1) **POMCO Hospital**- Northern Westchester Hospital Center, for example, is a POMCO hospital (see MyPomco.com for a complete list). At a POMCO hospital coverage is 100% of allowable charges for inpatient care until you meet your 365 day spell of illness or accidental injury limit. There is no deductible. This is due to the direct contract the hospital has with POMCO. However, one must always confirm that the facility is still in-network with POMCO.
- 2) **PHCS/ Multiplan Hospital**- If you use a PHCS /Multiplan hospital for inpatient care the Plan will reimburse you 80% of allowable charges until an annual family out of pocket coinsurance limit of \$1650 is satisfied. Thereafter, expenses are covered at 100% of allowed charges for the remainder of the calendar year or until you meet your 365 day spell for illness or accidental injury limit. The 80% is applied based on a discounted fee resulting in lower out of pocket expenses to you than would be the case at an out of network hospital. POMCO has negotiated with these hospitals a discounted rate. You are responsible for 20% of the discounted fee until you meet your annual family coinsurance out of pocket limit.
- 3) **Out of Network Hospital**- There may be a time when the only (or possibly best) hospital available to you for inpatient care is out of network. In fact, some states do not have POMCO or PHCS /Multiplan hospitals. In that case, the benefit would pay the same as for the PHCS/Multiplan Hospital benefit above. The Plan reimburses 80% of the allowed charges until the annual family coinsurance limit of \$1650 has been met. Thereafter, the Plan will pay 100% of allowed charges for the remainder of the calendar year or until you meet your 365 day spell of illness or accidental injury limit. Obviously, this is the most costly situation for you since you will be paying 20% of allowed charges until you meet the annual family coinsurance out of pocket limit and any amounts over the allowed charges.

Physician fees are reimbursed separately and will depend on whether the physician is in or out of network. Generally, in network inpatient physician's visits are paid at 100% of allowed charges and there is a \$20 co-pay for in network physician's emergency room visits. There may be a time, especially in an emergency, when the only available provider is out of network and you will be charged separately for that specific service. For example, one BTA member needed to bring his child to an emergency room in a POMCO hospital, but the only available plastic surgeon available was an out of network one. Obviously in this case you would go ahead with the treatment and pay more for the service. But always ask if there is a POMCO provider available.

This is not a POMCO issue per se, but rather it is a national issue that predates President Obama's Affordable Care Act. It is related to attempts at price control via multiple competitive managed care plans. A National Single Payer Health Plan (National Health Insurance) would eliminate this issue among others.

As always contact POMCO directly to clarify any of these issues and to obtain precertification for non-emergency hospital services.

Respectfully submitted by Michael Hardiman 5-15-12