

Out-of-Network Provider Reimbursement for PPO Plans

Blue Cross Blue Shield of Massachusetts will be changing the standard reimbursement for our commercial Preferred Provider Organization (PPO) plans for covered services provided by most out-of-network health care providers.*

Currently, Blue Cross uses a reimbursement schedule based on the usual fees charged by providers participating in our indemnity plans. As of January 1, 2018[†] we'll begin to replace the indemnity fee schedule and start to use Medicare's reimbursement amount.

For providers both in and outside of Massachusetts who don't have a PPO payment agreement with the local Blue Cross, we'll pay out-of-network claims based on 150% of the Medicare reimbursement amount. When no Medicare reimbursement amount is available, we'll calculate the claim payment based on rates paid in that specific area.

If the reimbursement rate is lower than what providers charge, the member may be responsible for the difference between provider charges and what we reimburse—this is referred to as balance billing. Balance billing charges aren't counted toward a member's deductible, copay, co-insurance, and/or out-of-pocket maximum. Care received from an out-of-network provider could mean significantly higher out-of-pocket costs for members.

* This change doesn't impact emergency medical care.

**Replacement may begin on an account-renewal basis for self-insured accounts and certain larger insured accounts.

How the New Process Will Work

When a Medicare reimbursement amount is available	When a Medicare reimbursement amount is not available
The out-of-network claims will be priced at 150% of the Medicare reimbursement amount	Blue Cross will calculate the claim payment based on rates paid in that specific area.

Important Information to Know:

- The dollar amount and actual charges submitted by providers aren't controlled by Blue Cross plans
- Out-of-network providers can charge as much as three to five times more than in-network providers

Benefits of This Change

The changes being made to our standard out-of-network reimbursement for PPO plans are part of our ongoing commitment to affordability. The change will provide more transparency for both members and providers, and a more familiar and accepted reimbursement source.

Value and Depth of Participating Providers in the Blue Cross Blue Shield Network

Members have access to an extensive PPO network in Massachusetts and across the country. Currently the Blue Cross Blue Shield of Massachusetts PPO network consists of:¹

- 23,969 doctors
- 73 acute care hospitals
- 11,692 behavioral health providers
- 14,123 ancillary professional providers
- 1,795 ancillary facilities

Nationwide Blue Cross plans offer an extensive PPO network of hospitals and doctors.

Hospitals²

7,869
hospitals in-network
96% participation rate

Doctors²

821,166
doctors in-network
93% participation rate

Thank you for your partnership. If you have any questions please contact your account executive.

1. Blue Cross Blue Shield of Massachusetts data, as of August 2017
2. Blue Cross Blue Shield Association data and Consortium Health Plan Network Compare Findings as of May 2015

Blue Cross Blue Shield of Massachusetts complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, sex, sexual orientation or gender identity.

ATTENTION: If you don't speak English, language assistance services, free of charge, are available to you. Call Member Services at the number on your ID Card (TTY: 711).

ATENCIÓN: Si habla español, tiene a su disposición servicios gratuitos de asistencia con el idioma. Llame al número de Servicio al Cliente que figura en su tarjeta de identificación (TTY: 711).

ATENÇÃO: Se fala português, são-lhe disponibilizados gratuitamente serviços de assistência de idiomas. Telefone para os Serviços aos Membros, através do número no seu cartão ID (TTY: 711).

