

Regence MedAdvantage Frequently Asked Questions

GENERAL INFORMATION

1. **What is Medicare? How does it work?**

Medicare is a federal health care program managed by the Centers for Medicare & Medicaid Services (CMS) that provides health insurance to retired individuals and certain people with disabilities. Original Medicare is a fee-for-service plan with two components, Medicare Part A and Medicare Part B. Alternatives to traditional Medicare coverage include Medicare Advantage plans.

Medicare Part A provides coverage for hospital bills (inpatient hospital care, hospice care, and home health care). This is financed by payroll taxes, with no premium to beneficiaries who have at least 40 quarters of Medicare-covered employment. The beneficiary pays a \$1,024 deductible for up to 60 days, with additional copays required for stays longer than 60 days.

Medicare Part B provides coverage for doctor bills (physician care as an inpatient at a hospital, at a doctor's office, or as an outpatient at a hospital or other health care facility) laboratory tests, physical therapy, and ambulance service. The Medicare Part B beneficiary premium is \$96.40 per month for most people. Some beneficiaries may pay a higher Part B premium due to their yearly income. Medicare Part B has a \$135 annual deductible, with 20% coinsurance after the deductible is met.

2. **What is a Medicare Advantage plan?**

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) was signed into law on December 8, 2004. This allows plans that contract with CMS to offer options in coverage such as Medicare Managed Care Plans (HMO), Medicare Preferred Provider Organizations (PPO), Medicare Private Fee-for-Service Plan, (PFFS) and Medicare Specialty Plans. Essentially, these reduce out-of-pocket expenses and increase coverage. These plans provide all the benefits of Medicare Parts A and B, plus additional benefits. The beneficiary continues to pay the Medicare Part B premium as well as any additional premium charged by the Medicare Advantage plan. Regence offers a Medicare Advantage PPO product called Regence MedAdvantage.

3. **What is the product name?**

Regence BlueCross BlueShield of Oregon MedAdvantage

4. **Who is eligible?**

Potential members need to be at least 65 years old or disabled as defined by Medicare. They must have Medicare Parts A and B, live within the service area and not have end-stage renal disease (ESRD).

5. **Why would a member choose MedAdvantage over an HMO or Medicare Supplement product?**

There are three types of health plans that can protect members from unexpected costs. Health Maintenance Organizations (HMOs) are managed care plans that require the member to use only contracted physicians, other health care professionals and facilities and hospitals and typically obtain referrals to see a specialist.

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Preferred Provider Organizations (PPOs) also have a contracted network of providers, but the member can see any provider and still receive coverage. The member has lower out-of-pocket costs if the member stays in-network, and no referrals are required.

HMOs and PPOs typically offer extra benefits compared to Medicare such as routine physicals and vision care. HMOs and PPOs roll original Medicare benefits and supplemental benefits into one plan.

Medicare Supplement (Medigap) plans are secondary policies to Medicare. They do not have a network of providers and usually cost more than HMOs and PPOs. Most Medicare Supplement plans do not offer coverage for routine physicals or vision hardware and exams.

Medicare Supplement plans reduce out-of-pocket medical expenses for unexpected medical costs associated with Medicare deductibles and coinsurance. This coverage can include the Part A and Part B deductibles and coinsurance and the skilled nursing facility coinsurance as well as other benefits.

6. What is meant by in-network and out-of-network providers?

Physicians, other health care professionals and facilities who contract to accept Regence MedAdvantage patients and accept Regence MedAdvantage benefits and payment structures are considered "in-network" providers. Those who have not signed contracts with Regence MedAdvantage are considered "out-of-network."

With Regence MedAdvantage, members are free to see any provider they wish. Our provider networks offer many qualified physicians, other health care professionals and facilities to choose from. A member may choose to see a provider outside our network, and pay higher out-of-pocket costs. Members are encouraged to see in-network providers to receive the best benefit from the plan and lower out-of-pocket costs. The Regence MedAdvantage benefit summary details the differences in benefits when members see in-network and out-of-network providers.

7. What other Medicare plans do we offer?

Our senior product portfolio includes options to meet the needs of Oregon's Medicare-eligible population. We continue to offer our Medicare supplement plan as well as Preferred Choice Sixty-Five in Curry, Douglas, and Tillamook Counties.

BENEFIT INFORMATION

8. What are the contracted reimbursement rates for Regence MedAdvantage?

Contract addendums specifying reimbursement rates were sent to all network providers during the contracting process. For a copy of the addendum that applies to your office or facility, please call your provider relations representative.

9. Regence also has Medicare members on a Preferred Choice Sixty-Five Plan. What if one of those members seeks services from my office?

As a Regence MedAdvantage network provider, you are considered in-network for Preferred Choice Sixty-Five members. Reimbursement for services provided to Preferred Choice Sixty-Five

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members will be reimbursed according to the terms of your *Regence BCBSO Medicare Physician and Other Health Care Professional Agreement* at the same rates as Regence MedAdvantage.

10. What is the vision coverage?

Members are eligible for routine vision exams once every two years. There is a \$5 copay when utilizing in-network benefits. Vision hardware is covered up to \$100 every two years.

11. What is the dental coverage?

Members can go to any dentist and are covered up to \$500 annually for preventive dental services such as cleanings, x-rays and exams. Dentists will be paid at billed charges up to the \$500 annual maximum.

12. What about hearing services?

For Medicare-covered hearing exams (diagnostic hearing exams), there is a \$5 copay.

13. What other services does Regence MedAdvantage provide?

Regence MedAdvantage provides access to myregence.com, a 24-hour nurse hotline, and fitness club memberships.

BILLING INFORMATION

14. Should providers bill Medicare or Regence for services?

Submit all claims to Regence as you do for other products. Claims may be submitted electronically or on paper. See our claims addresses in our Claims and Billing section of our *Provider Web Site*.

15. What pre-authorization requirements does Regence MedAdvantage have?

The Regence MedAdvantage *Medical Pre-Authorization List* is available in our Utilization Management section of our *Provider Web Site*. Please note the phone and fax number for pre-authorization is unique to this product.

RESOURCES

16. Whom do we contact for questions about Regence MedAdvantage?

- For information on benefits, eligibility, or other customer service related issues:
Customer Service: 1 (800) 541-8981
- For information related to your provider agreement, fees, credentialing, specific medical, administrative, or reimbursement policies, or billing and coding questions, contact your provider relations representative.