



**LINDSTROM INSURANCE**  
EMPLOYEE BENEFITS • LIFE AND DISABILITY INSURANCE

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## **New Law Prevents Surprise Bills from Non-Network Physicians at Network Facilities**

AB 72 could help you and your employees avoid “surprise” bills when services are obtained at a Network facility (like a hospital or surgery center) but you’re seen by a non-contracted physician or anesthesiologist. The law was signed by Governor Brown in September of last year, but went into effect July 1, 2017.

There are four essential elements for the application of the new law:

- A covered patient
- A contracted facility
- A non-contracted physician
- Covered services

If any one of these essential elements is missing, then the new balance-billing prohibition does not apply.

First, the patient must be covered by a health care service plan or an insurance policy.

The facility in which the services are provided must be contracted with the patient’s health plan or insurer. Facilities are generally limited to hospitals, surgery centers, primary care clinics, laboratories, and imaging centers.

Services must be covered by the health plan to be protected. The law does NOT apply to “Emergency Services and Care”, but there is an existing law that addresses this situation.

If all four conditions are met, the patient is only responsible for paying only the “in-network cost sharing amount”.

There is a loophole, however. If a non-network physician has the patient sign a consent form at least 24 hours in advance of care, they can include wording that will allow them to bill and collect a higher amount. **PLEASE ADVISE EMPLOYEES TO CAREFULLY READ ANY CONSENT FORMS** prior to signing them, to be sure not to sign away their protection under this new law. Signing the form would move coverage to the “out of network” benefit level in a PPO plan, for example, which will mean higher out of pocket costs for the service.

The consent form would be a separate document from the one used to obtain consent for the procedure and may not be obtained by the facility.

Carriers are sending letters to explain the new law, so watch your mail for more details.



## Blue Shield's TRIO HMO Rates Comparable to Kaiser

Carriers are starting to release rates for 4<sup>th</sup> quarter small group plans. In our area, the Blue Shield TRIO HMO rates are actually lower than the cost of similar Kaiser HMO plans.

If you're looking for a low cost option for your employees which will allow them to possibly continue to use their current physicians, this TRIO HMO plan would be a better option than Kaiser.

One reason rates are so much lower on this plan than on PPO plans with similar benefits is the narrower network. TRIO **does not** include access to Palo Alto Medical Foundation (PAMF). In the Santa Cruz area, employees could use Physicians Medical Group/Dignity Health doctors. Kaiser HMO benefits are only available when you use Kaiser doctors, so neither PAMF or PMG/Dignity Health providers would be available.

As groups come up for renewal, we'll be providing rates for lots of options, as always, but let us know if you'd like more information on these plans before then.

## Moving to a New Carrier?

If your group will be moving to a new carrier for Medical or Dental coverage, please **stop any automatic payments** the month before you plan to switch.

We always ask for letters to your old insurance company to cancel coverage when we're certain coverage is approved with the new carrier, but we have no idea if you've made arrangements for automatic bank drafts or other automatic payments. Refunds can take months to arrive in your office!

## Do you have an Employee Eligible for Medicare?

We're happy to meet with employees approaching age 65 to discuss the options available (other than staying on your group insurance plan).

It's likely that the employee may enjoy more options at a lower cost using Medicare as their primary source of medical coverage vs the group insurance....greater access to doctors, lower out of pocket costs, and lower premiums. You **MAY NOT** pressure an otherwise eligible employee to leave your group plan, but if we decide it's in the employees best interest to move and the employee initiates the change, you're clear.

Give us a call if you'd like to discuss costs, your options as an employer, what you need to keep in the employee file to document it was their decision to leave the group plan, etc.



## Additions and Terminations

Please remember that “new hires” are considered eligible when they’ve worked the requisite number of hours (usually 30 hours/week) for the eligibility waiting period (typically 30 or 60 days, but this varies by plan). Coverage generally starts the first of the following month.

**Carriers have absolutely no sense of humor or inclination to be merciful if a deadline is missed. Late enrollees may be required to wait until your next open enrollment period to be added to the plan.** We recommend submitting the enrollment form BEFORE the desired effective date. Send forms to us via fax or, if password protected, email to Carol or Judy using: [enrollment@lindstrominsurance.com](mailto:enrollment@lindstrominsurance.com)

Newly eligible dependents must be added to the plan(s) within 30 days of the wedding, within 30 days of the adoption or birth.

If an employee reduces their hours, quits, is involuntarily terminated, etc., there is generally a form to submit to notify the insurance carrier that coverage should end. This must be submitted prior to the last day worked or during the month in which coverage should terminate. Insurance companies do not give retro-active credits for employees who should have been taken off the plan a month or more prior to requesting the termination. Again, if you have enrollment online, the termination may also be processed electronically. Please call us if you need clarification on any of this.

## Do you have your Carrier’s phone app?

If you or your employees prefer not to carry ID cards and use cell phones for most everything, you’ll be interested to know about the carriers’ phone apps.

Capabilities vary and we’ve noted some of the highlights below, along with the links to download the apps.

### Aetna:

<https://www.aetna.com/individuals-families/using-your-aetna-benefits/aetna-mobile.html>

View your ID card, find doctors and facilities, urgent care centers, etc., view your coverage and benefits, claims, speak with a certified doctor via Teledoc, compare cost estimates, look up symptoms on iTriage, complete a health assessment and enroll in an online health coaching program.

### Anthem Blue Cross:

<https://www.anthem.com/blog/your-health-care/5-reasons-to-get-anthem-anywhere-app/>

Get your ID card, find a doctor, urgent care facility or hospital, estimate costs from nearby doctors or facilities and compare cost and quality information, check the cost of prescriptions and get refills, or switch to mail order pharmacy, etc.

**Blue Shield:**

<https://www.blueshieldca.com/about/mobile>

View your ID card, find a doctor, view your plan information, claim status, plan usage including deductibles, find urgent care facilities, learn about discount programs.

**Health Net:**

[https://www.healthnet.com/portal/home/content/iwc/home/articles/hn\\_mobile\\_index.action](https://www.healthnet.com/portal/home/content/iwc/home/articles/hn_mobile_index.action)

View your ID card, access health plan details, find urgent care facilities, doctors, hospitals and get directions, chat with a customer service representative

**Kaiser Northern California:**

<https://thrive.kaiserpermanente.org/easier-health-care/about-the-app>

View your appointments and cancel, if necessary, view your prescription list and order refills, see your medical records, view test results, send messages to your doctor or member services, find a facility and get directions on the way.

**Sutter Health Plus:**

<http://www.sutterhealth.org/mobile-apps/>

Access Medical records, send messages to your doctor, schedule appointments, view lab results, renew prescriptions, find doctors or clinics, etc.

**United Healthcare:**

<https://www.uhc.com/individual-and-family/member-resources/health-care-tools/health4me>

Generate ID card, search for doctors, hospitals, urgent care, etc., compare costs, see provider reviews, view claims, find pharmacies, contact a registered nurse for advice about medical questions, check claims and get health plan benefit details.

**Pay Premiums On Time to Avoid Late Penalties or Fees**

Group Insurance Premiums are due on or before the first of the month. Most health insurance plans are considered “prepaid health plans” and, although some have a 30 day grace period, not all plans offer this.

California Choice plans have a due date the 20th of the month prior to the coverage month and a 10% penalty is assessed if your payment is not received by the first of the month.

Other carriers do not yet have such a penalty, but do charge reinstatement fees if you fall behind. If premiums are not paid on time, some carriers will hold payment of claims incurred until premiums are brought current.