



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 family 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 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 CAREFULLY READ ANY CONSENT FORMS** prior to signing them, to be sure not to sign away your 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 (must be obtained by the doctor).

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



2018 Covered California Rates and Plan Changes

Covered California has released their forecast for 2018. It appears that Anthem Blue Cross will no longer offer “on exchange” health plans through Covered California in our area. They’ve cut back to just a few regions in the state. They will also pull out of Santa Cruz County (and many others, but not Santa Clara County) for “off exchange” plans.

You will have PPO and HMO choices from Blue Shield in Santa Cruz County, as well as plans from Kaiser and Health Net. In other counties you may also see additional options from:

- Chinese Community Health Plan
- L.A. Care Health Plan
- Molina Healthcare
- Oscar Health Plan
- Sharp Health Plan
- Valley Health Plan
- Western Health Advantage

According to their press release, our regional rate change will be an increase of 12.5% in Santa Cruz and Monterey Counties, while Santa Clara County can expect an increase of 10.4%. For comparison purposes the overall average increase in the state will be 12.5%.

Carriers actually have filed two sets of rates, one based on the Federal Government continuing to support the CSR (Cost Sharing Reductions*) and one assuming that they don’t. Rates could go up as much as 25% if

the government does not commit to paying these CSR amounts. Part of this (8% of premium) is due to a tax imposed by the PPACA (Obamacare) on carriers which had been suspended for 2017. So if the 12.5% number holds, 8% is for taxes, 4.5% is the increased cost of insurance.

If you’re interested in renewing your current plan, we can get started in October, if rates are available. Please call our office to arrange your phone appointment now!

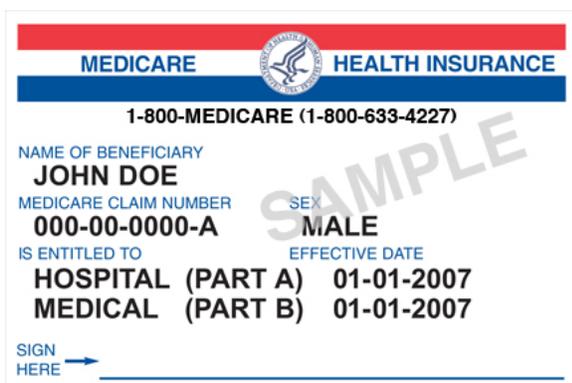
*CSR, or Cost Sharing Reductions, pertains to those Enhanced Silver plans with lower deductibles, copayments and out of pocket maximums. The plans are the Silver 73, Silver 87 and Silver 94 only available to lower income subscribers.

2018 Income Levels Updated

Subsidies, APTC, or Advance Premium Tax Credits, through Covered California are based on the income level of the household (a household includes everyone on your tax return). Each year, the levels are updated. This is why we ask you your anticipated earnings at the beginning of every Covered California conversation.

Federal Poverty Levels (FPL) determine Medi-Cal eligibility as well. If you earn less than 138% of the FPL, you may be eligible for Medi-Cal. If you earn more than 400% of the FPL, there will be no subsidy. Here’s a table to show the 2018 income levels based on household size:

Household Size	138% FPL (Medi-Cal Eligibility)	400% FPL (No subsidy)
1	\$16,643	\$48,240
2	\$22,412	\$64,960
3	\$28,180	\$81,680
4	\$33,948	\$98,400
5	\$39,717	\$115,120



Kaiser New Patient Website

If you're one of the new enrollees with Kaiser for 2017, this is a website you may find helpful:

<https://thrive.kaiserpermanente.org/care-near-you/northern-california/santacruz/new-members/>

Turning 65 Soon? Want to learn about Medicare?

We're happy to help you understand how Medicare works, what the "holes" are, the options for Supplements, Part D (prescription drug plans), and Medicare Advantage options.

Each year, both Betty and Vicki recertify to offer Medicare plans and we enjoy working with our clients in this area. We'll help you find the best value for you based on any prescriptions you're using and the other needs you have, with an eye to your budget.

We're always happy to talk with new Medicare Beneficiaries, so please feel free to refer your family and friends!

You'll find information about choosing a doctor, setting up appointments, downloading their app, transferring your prescriptions and medical records, etc.

Remember, your network hospital in Santa Cruz County is Watsonville Hospital, but you also have access to all Kaiser providers in the Bay Area.

Time to Update your Account on CoveredCA.com

Speaking of Covered California, please be sure you've updated your account with any address changes, new dependents or income changes before renewal time. Now would be good!

Carrier Contact Information

Carrier	Phone	Website
Anthem Blue Cross	800-333-0912	Anthem.com/ca
Blue Shield	800-393-6130	Blueshieldca.com
CIGNA	800-244-6224	Cigna.com
Covered California	800-300-1506	Coveredca.com
Health Net	888-926-4988 for Covered CA plans; 800-522-0088 for non-Covered CA	Healthnet.com
Kaiser	800-464-4000	kaiserpermanente.org

If you've lost your job, landed a new job, received a raise, etc., this information needs to be added and may affect the amount of your subsidy. As many of our clients have learned, enjoying a subsidy can be expensive at tax time, if your income went up and you're not entitled to that amount after the pay increase.



Do you have your Carrier's phone app?

If you prefer not to carry ID cards with you and use your phone for most everything, you'll be interested to know about the carrier's phone apps.

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

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

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.



Chiropractic Coverage for Individuals Now Available

Landmark Health Plan, an HMO for Chiropractors, is now offering plans for individuals and families. There are three different benefit levels, so you can customize your coverage based on your personal needs.

Coverage is only offered when you see network providers, so you'll want to verify that your family's Chiropractor is in the Landmark Network.

To see the rates and benefits, please give us a call or visit our website at:

<https://www.lindstrominsurance.com/quotes/chiropractic-plans/>