Knowledge is MAGIC

PATIENT ACCESS AND ITS IMPACT ON MANAGED CARE

&

OVERALL HOSPITAL OPERATIONS

THANK YOU

YIKES

- What is the insurance Company Name
- What is the Product Line
- ▶ Is there an RKK
- Is there an IPA
- Who is the Payor
- Who issues the Authorization
- Is there a Capitated Hospital
- Does the IPA, RKK and/or Capitated Hospital have an MSO

WHAT'S REALLY IMPORTANT

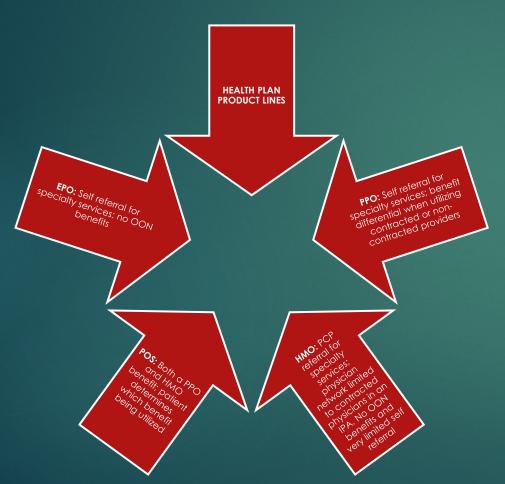
- ▶ What is the insurance Company Name
- What is the Product Line
- ▶ Is there an RKK



- Is there an IPA
- Who is the Payor & Address to Send Claims
- Who issues the Authorization & Contact information
- ▶ Is there a Capitated Hospital
- Does the IPA, RKK and/or Capitated Hospital have an MSO

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Managed Care Acronyms



MANAGED CARE ENTITIES & TERMS

- **IPA:** group of primary care physicians and specialists that come together via a contract or ownership
- PCP: "generalist" physician who manages the overall healthcare of their assigned members. An HMO member selects a PCP, which links the member to an IPA and oftentimes a hospitals too
- **MSO:** back office service center for IPAs, capitated hospitals and RKKs
- PKK: Restricted or Limited Knox-Keene entity. DMHC licensed to contract with HMOs and assume risk for all services. Without this license, an IPA is predominately limited to capitation for professional services and a hospital limited to hospital and other technical services
- **DOFR:** Division of financial responsibility which lists medical services and/or place of services and defines the financial responsibility accordingly

PATIENT ACCESS FUNDAMENTALS

CRITICAL INFORMATION

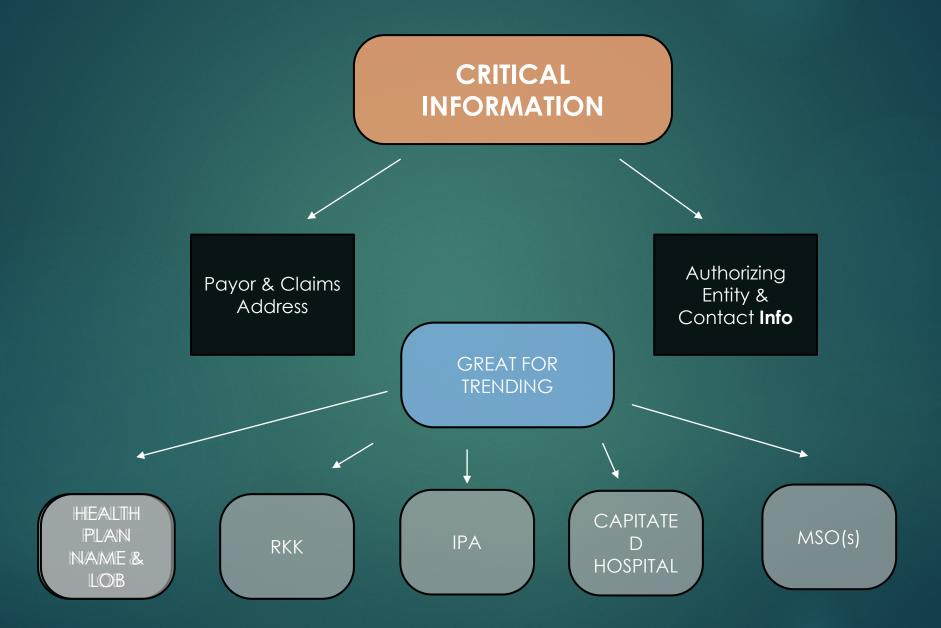
Payor & Claims Address

- Health Plan
- RKK
- Hospital
- IPA
- MSO (on behalf of an entity)

Authorizing
Entity & Contact
Info

- Health Plan
- RKK
- IPA
- MSO (on behalf of an entity)

^{*}Use actual entity name and not MSO. Keep a cheat sheet of MSOs and their IPA, Hospital and RKK clients



Decision

WHY IS IT SO COMPLICATED?



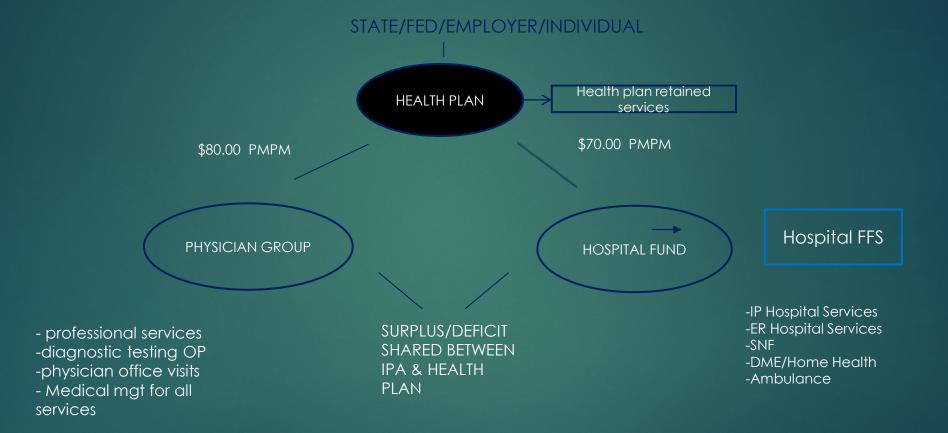
BECAUSE IT JUST IS



CAPITATION

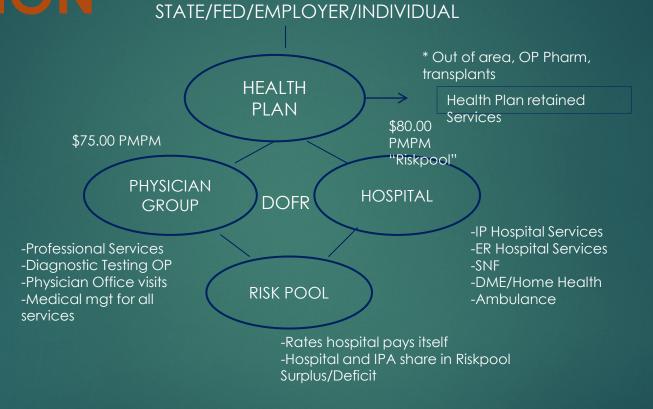
It's a prepayment methodology in lieu of fee for service payment that is intended to cover the expense of agreed upon services defined in a DOFR (division of financial responsibilities)

SHARED RISK - IPA CAPITATION



FFS – Hospital paid after services are rendered PMPM- Per member per month DOFR – Division of Financial Responsibility

FULL RISK (DUAL RISK) – HOSPITAL CAPITATION STATE/FED/FMPI OYER/INDIVIDUAL



Capitation – prepaid monthly PMPM – per member per month DOFR - Division of Financial Responsibility

Division of Financial Responsibility Matrix DOFR

DOFR is the Service Defining Document

- Determines which party is responsible for which service
- IPA financial responsibility "financial risk" is typically professional services, diagnostics, OP clinic based services
- Hospital financial risk is typically hospital based services (except OP diagnostics) and always IP hospital services, home health, SNF, hospice, ambulance, home infusion
- Radiation therapy, OP chemo drugs, endoscopies, OP cardiac diagnostics, dialysis are wild cards

DOFR

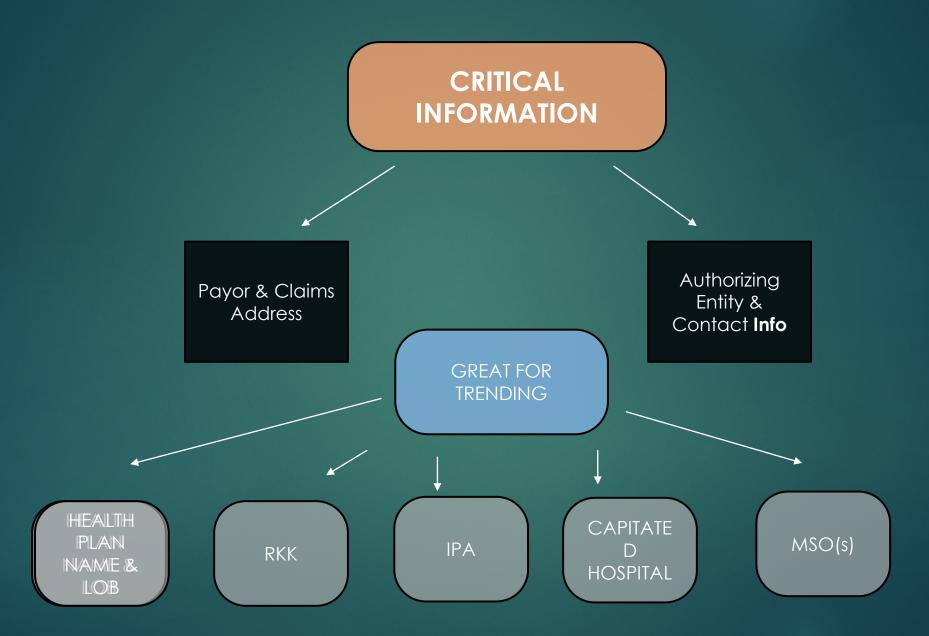
LIST OF BENEFITS/SERVICES	GROUP	HOSPITAL	Plan
Mental Health	EXCLUDED		
Nutrition/Diet Counseling (except when PLAN provided			
Nutritional Supplements/Enteral Feeding Therapy (when Medically Necessary)	X		
Obstetrical Care Outpatient Diagnostic Services	X	Χ	
Inpatient Facility Total OB Care (professional component)	X		
Office Visit Supplies (i.e. Splints, bandages, casting, etc.)	X		
Organ Transplant (when a covered benefit i.e. Kidney and Cornea) Facility Component Professional Component		X	
Organ Transplant Work up Facility Component Professional Component	X	X	
Ostomy Supplies Inpatient Outpatient		X X	
Outpatient Diagnostic Services (including but not limited to) Echocardiograms, EDG, EEG, EKG, EMG/NCV, Sleep Studies	X		

DOFR (cont'd)

LIST OF BENEFITS/SERVICES	GROUP	HOSPITAL	Plan
Outpatient Surgery (Excluding Abortion) Facility Component Professional Component	X	X	
Pathology Services Inpatient Facility Component Outpatient Facility Component Professional Component	X X	X	
Physical Therapy/Occupational Therapy/Respiratory Therapy/Speech Therapy Inpatient Outpatient	X	X	
Primary and Specialty Care Physician Services Inpatient, Outpatient, SNF, Office, Patient's Home	X		
Podiatry Services	NOT COVERED UNDER THIS AGREEMENT		
Prayer and Spiritual Healing			
Pre-Admission Diagnostic Testing	X		
Prosthetics/Orthotics Inpatient and Surgically Implanted Outpatient Dispensing	X	X	

MSO Services





TOOLS For Consistency

		Copy into Specified Field	Copy into Specified Field	<u>Bill to: MSO</u>
Health Net-MCAL	<u>Plan</u> ▼	<u>Plan Description</u> ▼	GRP FIELD PLAN INFO (COPY AND PASTE) ▼	Bill to:
Accountable IPA	1030	BEVERLY HOSPITAL/ M-CAL HMO	HNET/ACCT/BEVERLY HOSP	Beverly Hospital, 12345 Ventura Blvd., Encino, CA 90023

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THANK YOU

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