

Empire Blue Cross EPO: Questions and Answers

What does EPO stand for? Exclusive Provider Organization. Our other Empire Blue Cross plan is a PPO: Preferred Provider Organization.

Why is there such a big difference in my cost for the PPO versus the EPO? The entire monthly premium (Vassar's share plus your share) of the EPO is lower than that of the PPO due to its plan design, as explained below. The rest of the difference in your cost is due to the contribution change agreed upon last year: Vassar bases its contribution percentages (85% of single and 70% of single-plus-dependent) on the EPO premium. That dollar amount is then contributed to the PPO. Therefore, you pay a higher proportion of the PPO premium than of the EPO premium.

What is the difference between an EPO and a PPO? A PPO provides co-pay based coverage for providers in the plan's network, and coverage after a \$500 deductible for providers *not* in the plan's network. An EPO provides the co-pay based, in-network coverage only: there is no coverage for out-of-network providers, except for emergency or urgent care. The network for both plans is the same. .

Is that the only difference between Vassar's current PPO plan and the EPO? In order to make the monthly payments for the EPO a lower-cost option, Vassar has selected higher co-pays for two services on the EPO: An office visit costs \$20, versus \$15 on the PPO, and prescription drugs (generic/formulary brand/non-formulary brand) are \$10/\$25/\$50, whereas the PPO drug co-pays are \$10/\$20/\$40. One other change involves physical therapy: the EPO provides 60 visits per year, and the PPO provides 90.

I have the Empire PPO now. How would my care differ in the EPO?

Hospital Care: All U.S. hospitals currently accept Blue Cross insurance, and the inpatient copay of \$250 is the same on both plans, so hospital care would not be affected.

Outpatient Care (Doctor visits, lab tests, etc.) If you have currently been paying a co-pay (\$15) for office visits and haven't had to pay a deductible or submit claim forms, the providers you are using are in the Blue Cross network, so nothing would change in your current situation if you switched to the EPO, except that your copay would be \$20 instead of \$15. If you see a doctor who does not accept Blue Cross, you are currently paying a deductible of \$500 and receiving coverage for 80% of the doctor's costs above that \$500. In the EPO, the full cost of all visits to that doctor would be your responsibility.

Prescription Drugs: If you take generic medications, there is no cost difference between the EPO and PPO. If you use brand-name drugs, you will pay \$5 to \$10 more per order on the EPO (see above.)

What about emergency or urgent care? Coverage for emergency/urgent care, either in the U.S. or abroad, is the *same* on the PPO and EPO. Call the plan within 48 hours of your emergency care, and you will receive full coverage less a \$50 co-payment.

Are there differences between the EPO and PPO in terms of whether a certain procedure, condition, treatment or medication is covered? No. In the EPO, you may pay a higher copay or have a lower annual physical therapy visit limit, but you would not be denied any treatment or medication you would have received in the PPO. There is no pre-existing condition limitation on either plan.

What matters is not the treatment but *who* provides it: if the doctor is not on the Blue Cross provider list, the EPO will not cover your visits to that doctor. In the PPO, after you have paid \$500 in any calendar year, those visits would be covered at 80%.

How should I evaluate the importance of being able to select providers outside the Blue Cross network? Here are some points to consider:

- If you and your family have rarely or never had to pay a deductible and 20% coinsurance – if your care involves only copays – your doctors are in-network your coverage would be the same in the EPO. Even considering higher EPO copays, you may save money by opting for the EPO.
- How important is it to you to have coverage for more than one or two visits from a non-Blue Cross doctor? If you see a doctor who does not accept Blue Cross, you may want to consider how often each year you are likely to see her/him. For one or two visits, you would not see much difference between the PPO and EPO, because the PPO will not pay for her/his services until you've paid \$500. It is only for charges over \$500 that the PPO contributes to the cost.

How good is the Blue Cross network? The evaluation of the network is necessarily subjective: if you or your doctor believe that “Specialist X” is the best resource for your condition, and Specialist X is a not a Blue Cross provider, you may feel that the Blue Cross network is inadequate for you. Therefore, you may be the best judge of the quality of the network.

That said, the current Blue Cross network is comprehensive:

- All U.S. hospitals accept Blue Cross, including Memorial Sloan Kettering Cancer Center, New York Presbyterian, Beth Israel-Deaconess, the Mayo Clinic, Brigham & Women's, Westchester Medical Center, Albany Medical Center, and many more leading treatment centers across the country as well as in Dutchess County.
- The network includes tens of thousands of providers within a 100-mile radius of New York alone, both for primary care (internal medicine, pediatrics, nurse practitioners) and specialty care (oncologists, cardiologists, neurologists, etc.)
- The network is national.
- Vassar PPO members get most of their care in-network: in 2009, of a total of 14,708 visits, 14,245, or 97%, were in-network. These figures include all types of providers *except* mental health.

For mental health outpatient counseling, Vassar members were about as likely to use out-of-network providers (51% of visits) as in-network providers. Employees or their dependents who are patients of a non-network mental health provider may be better off in the PPO, despite its higher monthly cost: the out-of-network PPO coverage may be cost-effective for you.

If you anticipate wanting to arrange *non-emergency, elective* procedures abroad, you may benefit from the PPO's out-of-network coverage. Again, emergency and urgent care coverage is the same on the PPO and EPO, both in the U.S. and abroad.

If I join the EPO for 2011 and don't like it for any reason, can I switch back to the PPO? You can, at next year's Open Enrollment, for 2011. There are no pre-existing condition exclusions or limitations involved in switching between the plans.