

YOUR PPO PLAN

WHAT YOU NEED TO KNOW



As its name implies, a preferred provider organization (PPO) plan relies on a network of health care clinics, hospitals and professionals who have agreed to provide their services at discounted rates. These preferred providers are considered “in-network.” In general, you will pay less for in-network services than you would were you go outside the network.

HOW YOU PAY FOR SERVICES



1. You pay a flat dollar amount—or copay—for covered health care treatments and services, such as doctor’s office visits and prescription drugs.
2. Once you satisfy your annual deductible, you will pay a percentage—or coinsurance—of the cost of the visit, and the plan will cover the rest.
3. Once you hit your annual out-of-pocket maximum, the plan will cover 100 percent of the cost of covered services for the rest of the year.

MEET LISA

After a week of coughing and congestion, Lisa makes an appointment with the doctor. Because she recently switched to a PPO Plan, Lisa makes sure her doctor takes her new insurance. Luckily for her, he does! Here’s what happens next:



1. Lisa’s doctor diagnoses her with seasonal allergies and recommends an over-the-counter drug.
2. Her doctor bills her insurance and then sends Lisa a bill directly to her.
3. Lisa’s insurance sends her an explanation of benefits (EOB) detailing how much the insurance paid for her visit and how much she still owes. Lisa compares the EOB to her doctor’s bill to make sure the two match up.
4. Lisa pays the total cost of the bill—a flat \$20 copay—out of her own pocket.

FINDING AN IN-NETWORK PROVIDER



As a PPO plan participant, you are highly encouraged to use its in-network providers whenever possible.

Simply log in to your medical plan administrator’s website or call the number on your medical ID card to find in-network providers in your area and/or verify whether your current provider is in-network.

MORE ON PPOs

- Unlike an HMO Plan, the PPO plan does not require you to choose a primary care physician (PCP) or referrals for specialist.
- You have the option to visit non-preferred or out-of-network providers; however, you will likely pay more for the same type of service. In addition, you may have to file a claim to get reimbursed when you see an out-of-network provider.
- Premium and out-of-pocket cost are typically higher than under a PPO plan in exchange for greater flexibility in choosing a provider who is right for you.