PLAN OPTION 1:

VALUE- BASED PAYMENTS (VBP)

ADMINISTERED BY

HEALTHSCOPE BENEFITS

How The Value-Based Payments (VBP) Plan Works

Louisiana Machinery has joined with HealthScope Benefits to bring you a Value-Based Payment plan.

Value-Based Payments works just like a Classic PPO plan in some regards; members will still only be responsible for copays at primary care physician and specialist offices ($25), but Value-Based Payments does not have a traditional network of facilities like a Classic PPO. Value-Based Payments is open access and you may choose any hospital to receive care, but your costs will be lower if you follow HealthScope Benefits' recommendations. Before you receive treatment at a hospital, please use the HST Connect mobile app or call HealthScope's Patient Advocacy Center (PAC) to verify that the facility has contracted prices for its services. HealthScope must first verify that the facility you plan to receive treatment is charging a reasonable price above Medicare referenced price. If you do not verify your facility with HealthScope, you may be subject to prices over 500% of Medicare price, depending on the facility.

Since Louisiana Machinery's Plan is self-insured, any claim incurred on covered participants is technically paid by Louisiana Machinery, it benefits both Louisiana Machinery and the employees to be educated in how VBP works.
This, in turn, will better control claim costs so that Louisiana Machinery can continue to sustain a comprehensive and competitive healthcare plan for employees.

Contact PAC via:

Phone: (888) 837-2237

Fax: (949) 891-0420

Email: pac@hstechnology.com

Monday - Friday 7:00AM-5:00PM PST

HSTConnect (mobile app)

$75,000
PPO Approach:
Top-Down
Pricing
$50,000
$45,000
The difference is the
savings to the member
and plan = $22,750
$22,250
140% of
Medicare
HST Approach:
Bottom-Up
Pricing
Medicare
$15,893

Value-Based Payments' pricing methodology uses Medicare plus a percentage and cost information to determine a fair and reasonable price for your medical services.

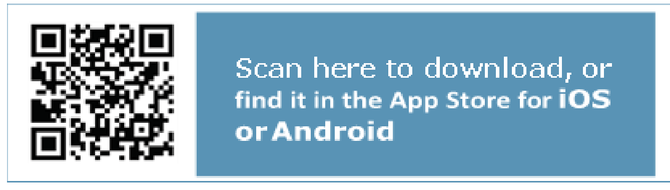
Not all facilities charge the same amount for their services. It is imperative that employees contact HealthScope in order to verify that their facility is charging a reasonable price for services.

HST Connect

Access to quality, cost-effective healthcare is now in the palm of your hand.

Mobile app features:

- Find hospitals and other healthcare services, either In-Network or with high acceptance rates
- Compare quality ratings and pricing for specific procedures
- View deductibles, copays and other plan information
- Direct dial healthcare providers and get driving directions
- Prescription pricing estimates
- Look up information about procedures
- Communicate and receive notifications from HST's Patient Advocacy Center and submit balance bills directly through the app
- Access to HST's Provider Acceptance Rates help minimize the risk of balance billing.



HealthScope Benefits

HealthScope Benefits , a UMR affiliate, educates and negotiates with health care providers before your procedure is performed. This is paramount in eliminating the potential for a balance bill. However, if a provider does bill you, HealthScope will work on your behalf to get the bill resolved. By choosing wisely, you can keep your costs as low as possible.

HealthScope Services Include:

- Patient Support
- Pre-Service Negotiations
- Scheduling of Services
- Manage Certifications & Referrals
- Confirmation of Pricing
- Assistance with Balance Billing

Have Billing Issues? As with any plan, you may occasionally receive a hospital bill above and beyond what was agreed on your statement (this is known as "balance billing"). If a balance bill occurs, **DO NOT PAY IT**. Contact HealthScope immediately and a patient advocate will work directly with the hospital on your behalf. **Call HealthScope toll free at (888) 713-8808**

By Louisiana Machinery participating in Value-Based Payments (VBP) for hospital or facility charges, it allows you to have a transparent method of determining how much you will pay for hospital/facility services. It works by reimbursing hospitals based on a reference price: Medicare plus a percentage.

***Value-based payments provides open access to facilities with no network restrictions*.**

Louisiana Machinery's Health Plan continues to cover eligible charges related to inpatient/outpatient hospital, ambulatory/surgical facilities, emergency room, skilled nursing, home health care, physician visits, X-ray/ Laboratory facilities and prescription drug charges.

Situations may occur when the Plan will recommend alternate facilities……this sometimes happens if the hospital and the plan cannot agree on a price. When possible, you should choose one of the recommended facilities since your costs will be lower.

Example: *You need an elective procedure performed in the hospital. Medicare would pay $10,000 for that particular procedure (and the hospital accepts the Medicare allowable charge). However, the hospital/ facility will charge you a mark-up price of $50,000, or 500% of the Medicare allowable charge. Using the Medicare guide as a reference, our Plan may offer to pay $15,000 or 150% of Medicare, thus reducing the price of the procedure significantly (and lowering your costs accordingly).*

FAQ: VBP Frequently Asked Questions

What is Value-Based Payments (VBP)?

Value-Based Payments is a transparent way to determine how hospitals will be paid for medical services. It works by reimbursing hospitals based on a reference price: Medicare (plus a percent). Because it is fully transparent and based on cost, the result is a price that is fair to both you and the provider. VBP provides open access to facilities with no network restrictions.

Does VBP apply to all procedures?

VBP only applies to procedures rendered at hospitals, surgery centers, outpatient facilities and dialysis centers. Physicians and other non-hospital providers are covered under your (PPO) network.

Will my provider accept VBP?

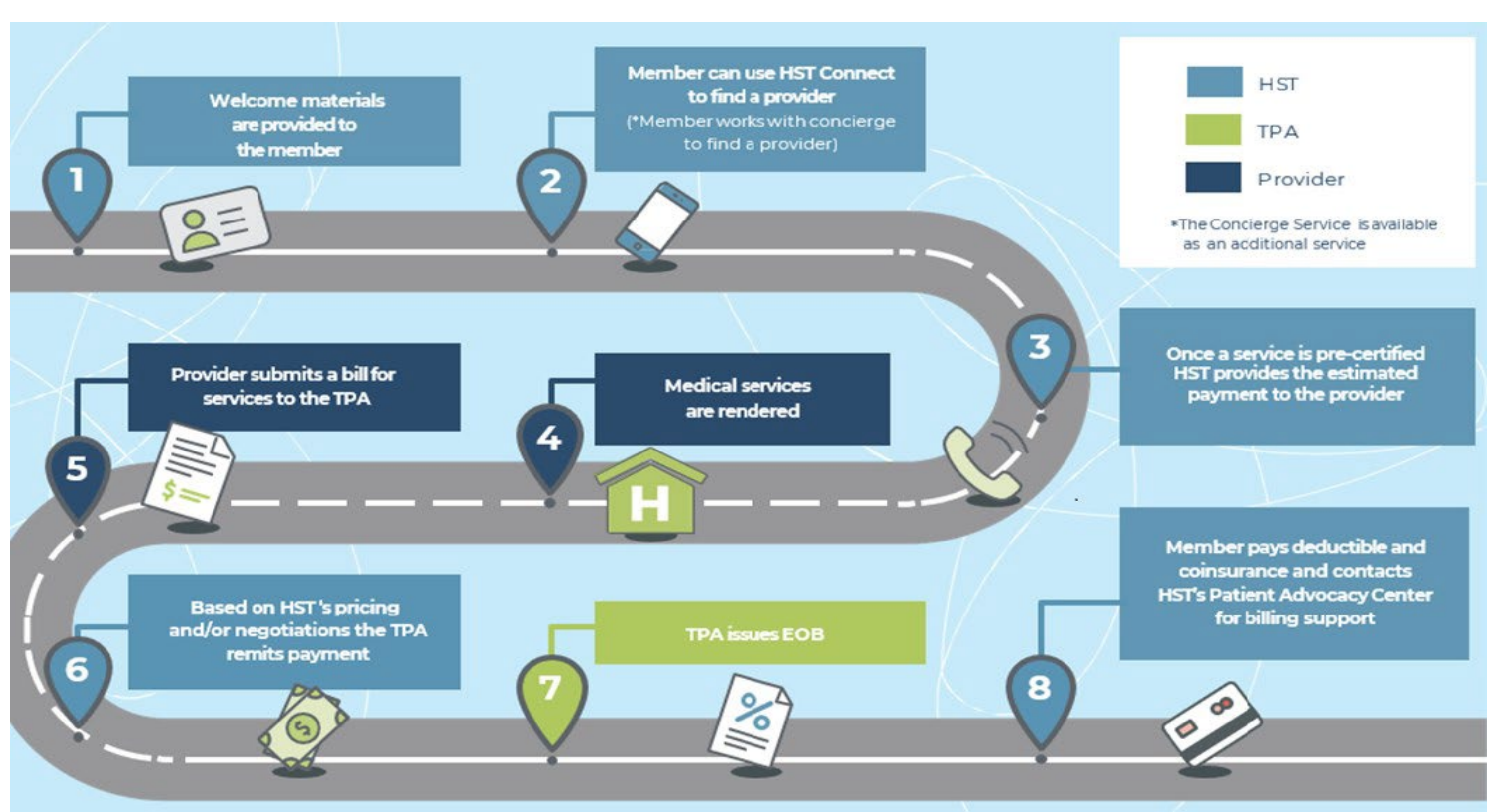
Providers are required to adhere to your benefit plan. If a hospital has questions, they will confirm your coverage by calling the telephone number on your identification card.

How does it work with my doctors?

VBP only affects care at hospitals. Physicians, specialists, and other non-hospital providers are covered under your PPO network and are unchanged. Your PPO plan gives you access to a wide network of physicians, and you will pay the lowest rates when you use In-Network physicians. You are covered when you go Out-of-Network, although your costs may be higher.

How do I know how much I will be charged for my procedure?

By utilizing HSTConnect (our mobile app) you can view your estimated costs up front. As usual, you will be responsible for your copay, deductible, and coinsurance up to the annual out-of-pocket maximum.



HEALTHSCOPE MEDICAL: ID CARD

Louisiana CAT

Louisiana Machinery

PHCS Practitioner & Ancillary Only

Issuer (80840) 911-40026-00

Member ID: 27261055

Group Number: 76415034

Member:
ARICA SAMPLE 00 MED

Dependent(s):
ADAM SAMPLE 01 MED

SERVE YOU
Rx BIN: 610548
Rx PCN: SERVU
Rx GRP: 7604

Providers are reimbursed pursuant to the terms of the Plan Document up to the Reasonable and Allowable Amount (subject to reference pricing). Only Physician services may be subject to a PPO Network. The Plan will only consider an Assignment of Benefits (AOB) valid under the condition that the Provider accepts the payment received from the Plan as consideration in full for the services, supplies, and/or treatment rendered, less any required deductibles/copays/coinsurance.

Printed: 08/30/2022

Self-funded plan administered by HealthSCOPE Benefits

Medical:Ded: $1,250/$2,500
OOPM: $6,000/$12,000*
*includes pharmacy

PRECERTIFICATION is required for inpatient admissions, and other specific outpatient services. Please call MedWatch at 888-713-8808 for a complete service list and to pre-certify. Failure to pre-certify may result in a reduction of benefits.

Assignment of Benefits (AOB) is a waiver of the Provider's right to balance bill the patient. Depositing checks received from the Plan represents accord and satisfaction and will take precedence over any previous terms. Please see the Plan Document or contact HealthSCOPE Benefits at 844-600-0921.

For Members: www.healthscopebenefits.com 888-713-8808

For Providers: www.healthscopebenefits.com 844-600-0921

Claims: EDI # 40026, HealthSCOPE Benefits, PO Box 30962, Salt Lake City, UT 84130-0962

HealthSCOPE Benefits

Pharmacists & Members: 800-759-3203 www.serve-you-rx.com

The number assigned specifically to you to track all of your benefits and claims information.

A list of the family members who are covered under your plan.

The number assigned to identify your group health plan.

Information about your prescription drug plan. Pharmacists use this to process your claims.

More on the back

Look for important contact information, including the customer service phone number to call for answers to claims or benefit questions. You can also go to **healthscopebenefits.com** to check your benefits, claims status, accumulators and eligibility.

Call this number only when you need medical services and your plan requires prior authorization for those services.

Call this number when you have questions about pharmacy benefits.

Visit this website to find a provider in the physician network.

What is Double Insurance?

Double insurance is when you have two different health insurance plans. This may happen if you have coverage through your job and your spouse's plan. The benefit of double insurance is that you have two health plans that can help pay for care. The downside is that you have to pay two premiums, two deductibles, and deal with the potential confusion that comes with having two health plans.

When you have a primary and secondary health plan, the insurers use a framework to work together, so both health plans pay their fair share. Coordination of Benefits (COB) decides which plan pays first (primary plan) and which pays second (secondary plan.)

Here's how COB works when there is a health insurance claim:

1. It first goes to the primary plan. Insurer pays what it owes.
2. If there's money still left on the bill, it then goes to the secondary insurer.
3. After that, if there's still money left on the bill, the member gets a bill for the remaining balance.

What is Balance Billing?

"Balance bills" primarily occur in two circumstances: 1) when an enrollee receives emergency care either at an Out-of- Network facility or from an Out-of-Network provider, or 2) when an enrollee receives elective non-emergency care at an In-Network facility but is inadvertently treated by an Out-of-Network provider. Since the insurer does not have a contract with the Out-of-Network facility or provider, it may decide not to pay the entirety of the bill.

In that case, the Out-of-Network facility or provider may then bill the enrollee for the balance of the bill. Recent legislation has addressed balance billing at the Federal level and 32 states have enacted laws to protect enrollees from balance billing at the state- level.

Starting in 2022, when the law goes into effect, consumers won't get balance bills when they seek emergency care, when they are transported by an air ambulance, or when they receive non-emergency care at an In- Network hospital but are unknowingly treated by an Out-of-Network physician or laboratory. Payments will now be negotiated by providers and health plans. Insurers and providers have 30 days to try to negotiate payment of Out-of-Network bills. If that fails, the claims would go through an independent dispute resolution process with an arbitrator, who would have the final say.

Value Based Payments and Balance Billing

I have paid my required copay, deductible, or out-of-pocket maximum reflected on my EOB; however, I have still received a bill from the provider of service.

This is referred to as balance billing. Balance billing is when a health care provider accepts the allowed amount from an insurance plan, and then bills the patient for the difference between the charge and the allowed amount. HealthScope Benefits has you covered in case you receive a balance bill.

What should I do if I receive a balance bill from a provider of care?

If you receive a balance bill, simply contact a HealthScope Benefits Customer Care representative at the number on your ID card. You can follow the phone prompts to be connected to the appropriate team to handle your balance billing situations. Customer Care will need a copy of the balance bill so have your statement ready.

It is important to contact HealthScope Benefits as soon as you get your first balance bill. If a provider bills you for an amount above the patient responsibility identified on your Explanation of Benefits (EOB), **don't pay the bill**!

Contact HealthScope's Patient Advocacy Center (PAC) and an Advocate will take over your case and deal directly with the hospital on your behalf. The provider may be directed to provider portal for virtual negotiation. If necessary, they will send you an authorization form which allows HealthScope to engage with the provider.