

## New Reimbursement Methodology for Non-Network Claims

The Empire Plan's benefit design allows enrollees and covered dependents to use out-of-network providers for services under the Medical/Surgical Program (through the Basic Medical Program) and the Mental Health and Substance Use (MHSU) Program. **Effective July 1, 2023**, the allowed amount for reimbursement of non-network claims will be based on 275 percent of the Medicare rates published by the Centers for Medicare & Medicaid Services (CMS), instead of the current methodology of 90<sup>th</sup> percentile of FAIR Health® rates. This means that when you choose a nonparticipating provider, you will be reimbursed at rates based upon those that Medicare pays. Since out-of-network providers can balance bill you for their full charges, this could result in higher out-of-pocket costs. Consider using a participating provider to avoid large out-of-pocket costs.

Please refer to the following questions and answers for additional information about this change.

**Q:** What types of services are affected by this change?

**A:** Services impacted are non-emergency services from an out-of-network provider such as a scheduled office visit or surgical procedure under the Medical/Surgical Program or outpatient services under the MHSU Program. For example, an appointment you scheduled with a provider who is not in The Empire Plan network.

**Q:** What does this change mean to me if I always see providers who are in The Empire Plan network?

**A:** This change does not impact you. In fact, Empire Plan benefits are improving on July 1, 2023, so only one \$25 copayment is charged during a single office visit when using a network provider. Previously, up to two copayments could be charged during an office visit when there were laboratory tests or diagnostic services performed, such as an X-ray or electrocardiogram (EKG).

**Q:** How can I make sure that a provider is in The Empire Plan network?

**A:** You can check the online directory on NYSHIP Online and select the link to the appropriate online directory (Medical/Surgical Program or MHSU Program) or call The Empire Plan and select the appropriate Program (see *Contact Information*, page 10).

For mental health or substance use disorder providers, press or say 3 and choose the prompt for the Clinical Referral Line (CRL). If there are no network providers in your area, you have guaranteed access to network benefits if you use the CRL to help you arrange care with an appropriate provider.

**Q:** What does this change mean to me if I choose to see an out-of-network provider?

**A:** You may have higher out-of-pocket costs. The Empire Plan will be using 275 percent of Medicare rates published by the Centers for Medicare & Medicaid Services (CMS) as the basis for the amount allowed on out-of-network claims. This may increase the amount you must pay for out-of-network claims. While you continue to be responsible for a deductible and coinsurance when using out-of-network providers (\$1,250 deductible and \$3,750 coinsurance), your provider may choose to bill you their full charges beyond your deductible and coinsurance (balance billing).

**Q:** What does it mean that a provider can balance bill me for services?

**A:** An out-of-network provider can bill you for the difference between their billed amount and the amount allowed by The Empire Plan. **Note:** When using a **network** provider or facility, you have additional protections against balance billing and surprise bills. You have no protections against balance billing when you choose to receive non-emergency services from an out-of-network provider and this could result in larger out-of-pocket costs for you.

**Q:** How will I know if the provider will balance bill me for a visit or service?

**A:** For non-emergency services, it is your responsibility to know whether a provider you choose is in The Empire Plan network. If the provider is not in the network, you may ask the provider to disclose their fees. Keep in mind that a separate deductible and coinsurance apply for any out-of-network services that you, your spouse or your dependents receive.

**Q:** I need a specialist and there are not any network providers in my area. What should I do?

**A:** You should call The Empire Plan (see *Contact Information*, page 10). For medical/surgical providers, press or say 1 and for mental health or substance use disorder providers, press or say 3 and choose the prompt for the Clinical Referral Line (CRL). The Empire Plan can assist you in obtaining network benefits from a medical/surgical provider if there is not a network provider within 30 miles or 30 minutes from your home address. Under the MHSU Program, if there are no network providers in your area, you have guaranteed access to network benefits if you use the CRL to help you arrange care with an appropriate provider.

**Q:** What is an example of costs when using an out-of-network provider instead of a network provider?

**A:** Mary, an Empire Plan member, chooses to see an Empire Plan provider about her ear pain. By choosing a network provider, the only out-of-pocket expense that Mary will have to pay is her \$25 participating provider copayment.

Bob, Mary's spouse, has joint pain in his knee. Bob decides to seek care from an out-of-network provider. This provider charges Bob \$380 for an office visit and requires that Bob pay the full cost up front. Following the visit, Bob submits a claim for \$380. Under the Basic Medical Program, The Empire Plan will allow \$300 based on the Medicare published rates. Since Bob already met his deductible, The Empire Plan will cover 80 percent of the \$300, or \$240. The other \$140 are Bob's out-of-pocket expenses (\$80 balance billing amount plus \$60 coinsurance). If Bob had chosen an Empire Plan network provider, his only out-of-pocket expense would have been a \$25 copayment.

**Q:** If I choose to see an out-of-network provider, can I find out in advance what my out-of-pocket costs might be?

**A:** Yes, you can request a predetermination of benefits from The Empire Plan to help determine what your actual costs will be. For Medical/Surgical Program services, your provider will need to complete the *Empire Plan Predetermination Form* on your behalf.

Once complete, either you or your provider can mail it to the address listed on the form.

Although there is no predetermination of benefits service under the MHSU Program, remember that precertification is required for the following outpatient services, regardless of whether the provider is in the The Empire Plan network:

- Intensive outpatient program for mental health
- Structured outpatient program for substance use disorder
- Outpatient detoxification
- Transcranial Magnetic Stimulation (TMS)
- Applied Behavioral Analysis (ABA)

If you need additional assistance with requesting a predetermination of benefits or precertification of benefits, you can call The Empire Plan and select the prompt for the appropriate Program (see *Contact Information*, page 10).

**Q:** Can I appeal a bill from an out-of-network provider?

**A:** No, unless you believe the services should be considered under surprise billing rules. Surprise billing protections generally apply for emergency services, when you utilize a network facility or for specific circumstances, such as a provider sending a specimen to a non-network laboratory without your consent. **To best protect yourself from large, unexpected bills, you should choose a network provider or facility.**

**Q:** Does this change have any impact on when a bill from a non-network provider is considered a surprise bill?

**A:** No, this change does not impact surprise billing rules. These rules provide you with protections if you did not choose to receive care from an out-of-network provider. Your Explanation of Benefits (EOB) will provide you with information on who to contact if you believe you have received a surprise bill.

As a reminder, the MHSU Clinical Referral Line is available 24 hours a day, 7 days a week and can help you find mental health and substance use disorder providers. The Empire Plan NurseLine<sup>SM</sup> is also available 24/7 and registered nurses can help you find network medical providers or assist you with questions about a medical concern or condition.