

## New health plans might not include local hospital

Written by Russ Zimmer CentralOhio.com

Mar. 10, 2014 |

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### Marion General Hospital

Currently, the only insurance carrier on the exchange that considers MGH and any other OhioHealth-affiliated facility to be an in-network provider is Medical Mutual of Ohio. Consumers have until March 31 to enroll in a plan on the exchange or, in certain instances, switch plans.

Imagine buying medical coverage on the federal health exchange only to later learn that the insurance you chose doesn't include your doctor or local hospital, making them unaffordable options for your health care.

Officials and observers in the health industry say that has been happening in Ohio, though it's unclear how widespread the problem is.

Only six of the 23 "Obamacare" plans marketed to Marion County residents classify OhioHealth, which runs Marion General Hospital and the local group practice formerly known as the Smith Clinic, as in-network.

Out-of-network services generally don't count toward the same deductible as in-network and have worse cost-sharing splits for the consumer, meaning they end up paying more out of pocket than if they would have sought help from the insurer's preferred providers.

The hospitals and the insurance companies are sparring over reimbursement rates, or how much the insurer is willing to pay for medical services rendered by the hospital.

"Sometimes they are able to come to agreements with providers on these rates, and sometimes they cannot," said Amy Rohling McGee, president of the Health Policy Institute of Ohio, which tracks the changing health care industry.

Cindy Webster, vice president of finance at Licking Memorial Health Systems, said Medical Mutual agreed to terms and rates that were similar to their other plans not available on the exchange.

The other insurers, some of which have existing agreements with the hospital on non-exchange plans, see a difference between the "Obamacare" plans and their other offerings.

"That difference is significant enough that we haven't been able to come to an agreement," she said.

One approach insurance companies are taking, McGee said, is to contract with a select number of hospitals. She said the insurers can dangle the prospect of more customers for the hospital — from people wanting to avoid the out-of-network costs — to secure more favorable rates.

That can lead to individuals and families being forced to travel for medical care, even if the same

service is offered down the street.

Area residents have come into Fairfield Medical Center to get procedures such as an MRI done only to find out their CareSource Just4Me plan didn't consider the Lancaster hospital to be an in-network provider, said Sharon Scruggs, contracts and collections manager for FMC.

"They had to go to an in-network facility, and unfortunately for them, that was in Columbus, that was Ohio State (University's Wexner Medical Center)," she said.

McGee said acquiring insurance on the exchange requires shoppers to be more engaged, including calling or emailing the company to get answers and documenting whom you spoke to and what they told you. Buying insurance on the exchange might be a new, bewildering experience, even to those who have been covered in the past.

Somebody who had insurance previously through their employer might be inclined to use the exchange to buy a plan with that same insurer, thinking they could continue to go to see the same doctor or specialist. That might not be the case.

"For example, while we are a commercial insurance provider for Anthem and would be listed as part of that network, we are not a provider for the exchange plan," said Ron Weiner, vice president of finance at Magruder Hospital in Port Clinton. "This could be confusing to a consumer."

It's unclear how many people have been affected by this, as the policies wouldn't have started until Jan. 1 at the earliest. The problem, however, is not unique to the relatively small hospital systems, which often have less service area to leverage in negotiations.

A spokesman for OhioHealth, which operates 10 hospitals in addition to a network of physician groups and outpatient facilities, has a deal in place only with Medical Mutual for plans from the exchange. OhioHealth is aware that "some patients" are encountering the out-of-network issue, the spokesman said.

CareSource declined to comment for this story, and Anthem did not return messages seeking comment.

Last month, the Centers for Medicare and Medicaid Services sent out guidance to the industry, revising its earlier position that, once a premium was paid, the policy was locked in for that year.

The new rules allow for policyholders to switch plans if they want a larger provider network, but they can migrate only to a plan offered by the same carrier and must do so before the end of the enrollment period, which is the end of this month.

That won't help people who need to switch insurance companies to find a plan with their local hospital or physician's network in 2014. CMS did announce last month that it will be collecting provider network data for next year to ensure insurance carriers are meeting the requirements on accessibility with their Obamacare offerings.

The Patient Protection and Affordable Care Act created the health insurance exchanges and

enacted a number of consumer protections, one of those being forbidding insurers from applying the out-of-network designation to emergency medical care.

But for those times when consumers have a choice of where to go, Scruggs said it's FMC's policy to communicate to the patient their financial responsibility when seeking out-of-network care.

America's Health Insurance Plans, the industry's national trade group, released a report earlier this year showing about 88 percent of claims in 2011 were paid in-network. But those who went out-of-network were sometimes hit with exorbitant charges, the AHIP report found, including an instance in which an Ohio patient was charged 20 times — nearly \$14,000 — what Medicare would pay for an MRI.

A few hospitals are employing counselors to help people understand what they're getting when they sign up through the marketplace. Avita Health Systems, which runs hospitals in Bucyrus and Galion, has three certified application counselors that have helped about 250 families, mostly in Crawford and Richland counties, said Rhonda Ridenour, Avita's patient financial services director.

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[mansfieldnewsjournal.com](http://mansfieldnewsjournal.com)

### OhioHealth MedCentral Hospitals

Currently, the only insurance carrier on the exchange that considers MedCentral and any other OhioHealth-affiliated facility to be an in-network provider is Medical Mutual of Ohio. Consumers have until March 31 to enroll in a plan on the exchange or, in certain instances, switch plans.

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Officials and observers in the health industry say that has been happening in Ohio, though it's unclear how widespread the problem is.

Only six of the 23 "Obamacare" plans marketed to Richland County residents classify OhioHealth, which runs MedCentral hospitals in Mansfield and Shelby and has 500 more central Ohio doctors under its banner, as in-network.

Out-of-network services generally don't count toward the same deductible as in-network and have worse cost-sharing splits for the consumer, meaning they end up paying more out of pocket than if they would have sought help from the insurer's preferred providers.

The hospitals and the insurance companies are sparring over reimbursement rates, or how much the insurer is willing to pay for medical services rendered by the hospital.

"Sometimes they are able to come to agreements with providers on these rates, and sometimes they cannot," said Amy Rohling McGee, president of the Health Policy Institute of Ohio, which tracks the changing health care industry.

Cindy Webster, vice president of finance at Licking Memorial Health Systems, said Medical Mutual agreed to terms and rates that were similar to their other plans not available on the exchange.

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One approach insurance companies are taking, McGee said, is to contract with a select number of hospitals. She said the insurers can dangle the prospect of more customers for the hospital — from people wanting to avoid the out-of-network costs — to secure more favorable rates.

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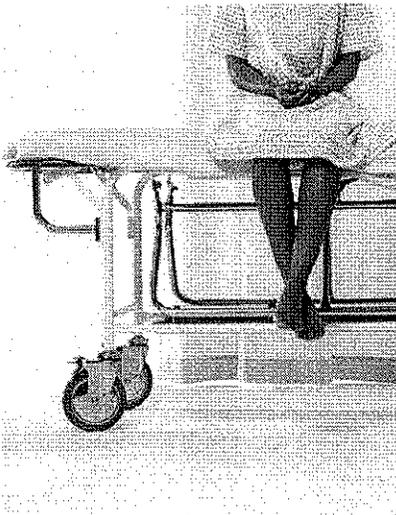
## Coverage might not include local hospital

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Hospitals are reporting that some patients are finding out the medical coverage they purchased on the federal health insurance marketplace considers the local hospital to be 'out-of-network,' which can result in excessive out-of-pocket costs to the consumer. / Getty Images

Written by Russ Zimmer CentralOhio.com

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Hospitals are reporting that some patients are finding out the medical coverage they purchased on the federal health insurance marketplace considers the local hospital to be 'out-of-network,' which can result in excessive out-of-pocket costs to the consumer. / Getty Images

**Licking Memorial Hospital**

Currently, the only insurance carrier on the exchange that considers LMH to be an in-network provider is Medical Mutual of Ohio. Consumers have until March

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