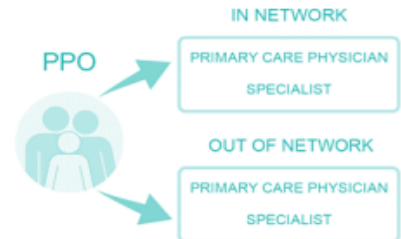




MEDICAL PPO OVERVIEW

HOW DO PPO PLANS WORK?

The PPO allows the member to self-refer to any provider. As a member, you can access care through an in-network (contracted) provider or through an out-of-network (non-contracted provider). You do not need to select a provider at the time of enrollment. However, you should always verify if your provider is contracted with PHCS network prior to accessing care.



HIGH DEDUCTIBLE HEALTH PLAN (HDHP)/HEALTH SAVINGS ACCOUNT (HSA) PLAN

A HDHP plan is meant to give you more flexibility and control over your healthcare spending. It allows you to create a plan that meets your family's needs and comes with many of the same benefits as a traditional PPO plan. While your deductible will be higher, your premium will be lower. You can choose to contribute the difference in premium savings into a Health Savings Account. HSAs are like "medical" IRAs. It's a tax-deferred, private savings account designed to pay for certain current and future healthcare expenses with tax-free money. Because they are tax-advantaged and balances can accumulate over time, HSAs can also be used to accumulate savings.

WHAT IS THE DIFFERENCE BETWEEN IN-NETWORK VS OUT-OF-NETWORK PROVIDERS?

PPO plans offer a larger network of providers who have agreed to discount their fees for their services. You may choose to have your treatment provided by a PPO provider (in-network) and receive a higher level of benefit with a lower out-of-pocket cost to you. You may also choose to go outside the network; however, generally, benefits are reimbursed at a lower level and you may have higher out-of-pocket costs.

WHAT HAPPENS IF I RECEIVE CARE THROUGH OUT-OF-NETWORK PROVIDERS?

Using an out-of-network doctor, hospital, or other health care provider can significantly increase your out-of-pocket medical costs. That's because when a member sees an out-of-network provider, the member is responsible for the difference between what the provider charges and the amount PHCS (KPIC) pays the provider. PHCS (KPIC) uses established rates to pay for medical services for out-of-network doctors, hospitals, and other health care providers. However, out-of-network providers' actual charges are often much higher than PHCS (KPIC) established rates, and they may charge members for the difference. This is called balance billing. When a member sees an in-network provider, they won't receive any additional charges from the provider.

EXAMPLE OF A MEMBER'S OFFICE VISIT WITH A SPECIALIST:

Cindy injured her knee and required a consultation with an orthopedic doctor. Cindy has a PPO plan, which gives her the option to seek services from a doctor in the **PHCS** provider network, or one who does not participate in the network. The orthopedic doctor Cindy chose charges \$450 for the consultation visit. If the doctor is in the **PHCS** network, the plan would pay a negotiated rate for Cindy's visit. If the doctor is not in the network, the plan would pay the established rate for the out-of-network office visit. The chart shows how Cindy's out-of-pocket (OOP) costs will be lower if she chooses an in-network doctor.

| | IN-NETWORK | OUT-OF-NETWORK |
|---|-----------------|---------------------------|
| Provider's Actual Charge | \$450 | \$450 |
| PHCS (Kaiser) Pays | Contracted Rate | Established Rate of \$180 |
| Balance Bill Amount (Cindy's OOP costs ¹) | \$0 | \$270 |

¹All dollar amounts in this example and the table are hypothetical and for illustrative purposes only. Out-of-pocket (OOP) costs do not include deductible, copayment, or co-insurance.



Please take a moment to watch this short video
<https://www.brainshark.com/kp/HelunaHealthPPO>
and learn more about our PPO plan.



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The Kaiser Permanente PPO Plan

The flexibility and freedom you need

With the Kaiser Permanente PPO Plan, you have 2 convenient options for selecting a doctor, and you're free to see specialists without a referral. You can receive care from a participating provider in the PHCS Network for Kaiser Permanente Insurance Company (KPIC) or from any licensed provider anywhere in the country.

Participating Provider Tier

- Choose from more than 60,000 participating providers in California and more than 800,000 participating providers nationwide in the PHCS Network for KPIC.*
- Most doctor's office visits are covered at a copay all year round.
- Most preventive care services are covered at no cost or at a copay.
- After you meet your deductible, most other covered services are available at a coinsurance rate.
- You won't have any claims or paperwork to file.

Lower out-of-pocket costs

When you see a participating provider, your out-of-pocket costs will generally be lower, and your doctor's office will file any claims and paperwork on your behalf.

Most doctor's office visits—including diagnostic lab tests and X-rays performed during your visit—are covered at just a copay. Most other services, including hospitalization, are covered at a coinsurance rate after you meet your deductible.

*KPIC has contracted with Private Healthcare Systems (PHCS) to provide access to hospitals and physicians with a commitment to keeping out-of-pocket costs low through contracted rates. An online directory of Participating Providers can be found by visiting www.multiplan.com/kaiser.

Non-Participating Provider Tier

- Choose any licensed provider, including specialists—just make an appointment directly with the provider's office.
- Many preventive care services are covered before you meet your deductible.
- Most other services are covered at a coinsurance rate after you meet your deductible.
- You may need to pay full costs up front and submit claims for reimbursement.

Convenient access to care

With the non-participating provider tier, you're free to see any licensed provider in the country. This can make it more convenient to continue any provider relationships you already have, or to choose a doctor near your home or work.

When you see a non-participating provider, you'll need to reach your deductible for most services. Then you'll start paying coinsurance for all covered services until you reach your out-of-pocket maximum. Overall, your out-of-pocket costs may be higher than with the participating provider tier and you'll need to file your own claims and paperwork. You'll also be responsible for any balance above the fair and reasonable cost your provider will cover.

Pharmacy coverage

- Fill your covered prescriptions at any MedImpact retail pharmacy, which includes over 59,000 locations nationwide.*
- Pay copays for most generic and brand-name drugs.
- There are no claims or paperwork to file.

To find a MedImpact Pharmacy near you, just call **1-800-788-2949**.

*MedImpact pharmacies include Walgreens, CVS, Rite Aid, Ralphs, Kroger, Safeway, and Costco, plus hundreds of independent pharmacies nationwide. Mail-order service is also provided by Walgreens Mail Service.

Getting precertification

When receiving care, you should always make sure the services requested by your provider are medically necessary and cost effective. Some services—like outpatient surgeries, scheduled hospitalizations, and complex lab and radiology procedures—require precertification. Once you enroll, we'll provide you with a complete list of services that require precertification.

If you have questions about our PPO plan, including questions about benefits, claims, eligibility, and finding a participating provider, visit kp.org/kpic/ppo or call **1-800-788-0710** or TTY **711**.

The Kaiser Permanente PPO Plan is underwritten by Kaiser Permanente Insurance Company (KPIC), a subsidiary of Kaiser Foundation Health Plan, Inc.



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Questions and answers:

How much should I expect to pay each year?

Your exact costs will depend on your plan details and the services you receive. But in general, you'll pay a copay for most doctor's office visits to participating providers all year round. And most preventive care services will be covered at no cost or at a copay. If you see a non-participating provider, you can usually expect to pay full charges until you reach your annual deductible. After you reach your deductible, you'll start paying a coinsurance rate for most covered services until you reach your out-of-pocket maximum. Remember, any balance above the fair and reasonable cost from a non-participating provider won't contribute toward your plan deductible or out-of-pocket maximum.

How do I know when I need to submit a claim?

Participating providers should always submit any necessary claim forms to Kaiser Permanente Insurance Company (KPIC) on your behalf. You should only be asked to pay a copay, coinsurance, or deductible payment to the provider. If you receive care from a non-participating provider, you will be responsible for submitting claims and receipts to KPIC. Non-participating providers may also ask you to pay the full amount up front.

Does the PPO plan have a separate deductible for prescription drugs?

That depends on your plan details. We offer plans both with and without a separate deductible for brand-name prescription drugs. In most cases, however, you'll pay just a copay for most prescription drugs—even before you reach your annual plan deductible.

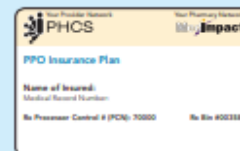
Are mail-order prescription drug services available?

Yes. Mail-order services are administered by Walgreens Mail Service. Walgreens will fill prescriptions written by participating and non-participating providers. Walgreens Mail Service isn't managed through its retail pharmacies. If you ever have any questions about how it works, please call **1-866-304-3848** or sign in to walgreens.com/mailemailservice.

What is precertification and why do I need it?

Precertification, also known as utilization management, is the review of services before they are performed to ensure they are medically necessary, appropriate, and cost effective for the insured. Many services, including some outpatient procedures, durable medical equipment, and complex lab and imaging procedures (MRI, CT, PET scans, etc.) require precertification. **THIS IS AN IMPORTANT STEP.** Failure to obtain precertification will result in a reduction of benefits.

Use your gold and white ID card
anytime you seek medical
or emergency care.



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