Navigating Managed Care

Deborah Senn
Washington State Insurance Commissioner

Dear Health Insurance Consumer:

Choosing the right health insurance carrier can be a very difficult process. There are many factors that go into making a sound decision to choose the right carrier and health plan.

To help you make an informed decision, my staff has prepared this comparison survey. Areas that many consumers have said are important to them have been included in this survey.

It is very important to educate yourself on what the different plans offer and which one would meet your needs before purchasing a plan.

If you need any further assistance or have questions or concerns, please call my Consumer Hot Line at 1-800-562-6900.

Sincerely,

Deborah Senn
Washington State Insurance Commissioner

Comparing Washington State Health Plans

One of the difficulties in selecting a health plan is the lack of consistent information on which to compare plans.

Each plan may offer some benefits and services that mesh well with your needs, but chances are no plan will meet them all. You also have to balance what you need with what you can afford.

This guide gives you some "apples-to-apples" comparisons to compare plans. It covers individual plans, not group plans, because employers make most decisions about group benefits and deductibles for their workers.

If you do have a choice between plans or benefits offered by your employer, show this guide to your personnel office and suggest they give you a similar comparison to help you with your selection.

What you'll find in this guide

This guide compares the individual plans through:

- A sampling of rates
- Information about deductibles, co-payments, and co-insurance
- A sampling of some key benefit offerings
- Information about access to "out-of-network" providers

In addition, it compares the health carriers for:

- Complaints against each carrier received by the Office of the Insurance Commissioner
- "Customer satisfaction" information
- Whether the carrier sought and received accreditation from national organizations
- Where the carrier's plans are offered

This guide is, by its nature, not comprehensive. There are other considerations for you when looking for health insurance. Some suggestions are provided for you in the companion booklet, *"Navigating Managed Care: A Consumer Guide To Managed Care."*

Over time, we hope to expand the comparisons offered in this guide. We will be regularly updating information as changes occur.

For the most up-to-date version or to get the companion booklet *"Navigating Managed Care: A Consumer Guide To Managed Care,"* call the Commissioner's toll-free Consumer Hot Line at 1-800-562-6900 or check our web site at http://www.wa.gov/ins

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How do health plans measure up on rates?

The rates insurers charge are determined by several factors. These may include:

- the estimated cost of providing the services that are covered,
- the cost of administering the plan,
- the cost of advertising and marketing the plan,
- the salaries of company executives, managers, and staff,
- a "contribution to reserves," which is money saved to make sure services are paid for even if their costs run higher than expected.

All rates must be reviewed by the Insurance Commissioner.

No rates are approved unless the insurer can show that the rates are reasonable in relationship to the benefits offered in the plan.

After analysis, the Insurance Commissioner often insists on rates that are lower than what the insurer had asked for. She may also insist the insurer do a better job of controlling costs or salaries before approving a rate.

What if I have a pre-existing condition?

Rates may not be used to keep you from getting coverage by charging more for pre-existing conditions or poor health. However, different rates based on age or sex are allowed.

Discounts may also be offered for a limited number of "wellness" factors—like being a non-smoker.

The chart on the following page shows the rates for various plans available to individuals.

The rates are shown for a few age ranges, and non-smoker rates are used when applicable. The chart also indicates what, if any, payments are required of you when receiving services (co-payment/co-insurance). The 40+family rates are based on two adults and two children.

The rates in this chart are current at the time this guide was printed. For up-to-date information, check with the Insurance Commissioner at 1-800-562-6900 or visit her website at: http://www.wa.gov/ins

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Carrier	Plan Name	Deductible	Co-payment/ Co-insurance	Monthly Rate (Non-smoker rates where available) 32 yr old	52 yr old	40 + Family
Premera Group						
Blue Cross of WA & AK	Model Plan	none	$10	$174.00	$222.00	$605.00
	Plan A 15	none	$15	$100.00	$190.00	$375.00
	Traditional	$500	20%	$139.00	$280.00	$481.00
	Prudent Buyer Sense 750/20	$750	$20+20%	$87.00	$167.00	$306.00
	BasicOne	$500	20%	$34.00	$61.00	$126.00
Medical Service Corp.	Prime Care 20	none	$20	$126.00	$216.00	$452.00
	Preferred Provider Organization 750	$750	20%	$71.00	$122.00	$257.00
Group Health Cooperative	Model Plan	none	$10	$163.00	$240.00	$612.00
	Major Medical	$250	varies	$134.00	$197.00	$502.00
	500 Deductible	$500	varies	$70.00	$130.00	$310.00
Regence Blue Shield	Model Plan	none	$10	$193.00	$273.00	$654.00
	Selections 96	$250	$15+20%	$71.00	$146.00	$320.00
	Passport	$1000	30%	$60.00	$111.00	$301.00
Aetna US Healthcare	Model Plan	none	$10	$162.00	$247.00	$582.00
	Individual Plan	none	$15	$153.00	$239.00	$538.00
Kitsap Physicians Service	Model Plan	none	$10	$158.90	$232.40	$686.70
	Essential Choice 500	$500	20%	$80.85	$155.90	$277.20
	Essential Choice 1000	$1000	20%	$69.15	$133.35	$237.20
NW Wash. Med. Bureau *formerly Whatcom/Skagit Medical Bureaus*	Model Plan (Skagit, Island, San Juan counties)	none	$10	$153.35	$225.90	$560.05
	Plan A	$300	$20+30%	$124.80	$183.80	$460.70
	Plan C	$300	20%	$146.00	$216.85	$539.80
	$2000 Deductible Option	$2000	20%	$88.65	$130.50	$327.05
	$4000 Deductible Option	$4000	20%	$80.30	$119.25	$296.95
	Model Plan (Whatcom County)	none	$10	$157.45	$231.95	$575.05
	Plan A	$300	$20+30%	$128.15	$188.75	$473.00
	Plan C	$300	20%	$149.90	$222.65	$554.25
	$2000 Deductible Option	$2000	20%	$91.00	$134.00	$335.85
	$4000 Deductible Option	$4000	20%	$82.45	$122.45	$304.85
Regence BCBS of Oregon	Model Plan	none	$10	$143.00	$276.00	$463.00
	CHEC Plan	$1000	20%	$113.00	$161.00	$319.00
	Preferred CHEC Plan	$1000	20%	$94.00	$134.00	$279.00
Group Health Northwest	Model Plan (Eastern WA)	none	$10	$206.00	$266.00	$740.00
	$250 Deductible Option	$250	$10	$123.00	$210.00	$418.00
	Model Plan (Central WA)	none	$10	$322.00	$413.00	$1150.00
	$250 Deductible Option	$250	$10	$193.00	$327.00	$650.00

*Rates as of **10/1/98***

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Key Benefit Offerings:

Some of the biggest differences between plans are which health services they cover and which they don't. Think about the health care services you and your family are most likely to need and choose a plan to best match your specific coverage needs. Remember it is unlikely that any plan will include everything you may want.

The following chart looks at some of the most common health services consumers want in a plan. It includes:

Preventive care — This may include such services as annual checkups and immunizations. Check with the carrier to see which services they specifically offer.

Maternity — Maternity coverage usually includes pregnancy tests, prenatal exams, and delivery services. You should ask the carrier about the specific coverages. Ask about: any dollar limits that may apply; how the plan deals with complications to the pregnancy; where you may have your baby (i.e., at a hospital, in a birthing center, or at home); and if you can see care providers like midwives.

Mental Health — Most plans have limits on mental health services even if they offer coverage. These could include a limit on the number of out-patient visits, a time limit on in-patient care, or restrictions on which kinds of mental health professionals you may see. Ask the carrier about limits like these.

Rehabilitation — This covers a fairly wide range of services. Most are centered on treatment for substance abuse — alcohol or drugs. However, rehab services may also include speech therapy, post-trauma physical therapy, and other similar therapies aimed at recovering lost functions. Always check with the carrier to confirm whether they cover particular services. Also ask whether they limit the number of visits or have an annual cap on what will be paid for them.

Rx (Prescription coverage) — Typically, managed care plans that offer prescriptions limit coverage to drugs on a list known as a "formulary." Each carrier has its own formulary. This may mean that, for example, you have coverage for asthma medication, but it may only be for a "generic" version of the drug rather than the "brand name" with which you are familiar. There may also be other limits on the coverage, so ask the carrier directly.

Wellness coverage — These are special programs or services that are designed to help you be a healthier person overall. They might include programs to stop smoking or a class offering tips on diet and exercise. It could also cover weight reduction programs. These services are not generally covered by plans, but may still be an important factor for you in choosing your coverage. As before, contact the plan to see what they do offer if this is something you are looking for in your health plan.

As you can see, this chart does not include everything plans cover — such a chart could fill a whole book. However, this information is a good starting point. By asking the carriers questions of your own, you will be able to compare how different plans treat different services.

You should notice that a few plans may set restrictions on how you may access the services, how often you can use the services, and/or put a cap on how much the plan will pay annually for the services. Before actually buying coverage, you should ask the plan about any restrictions on the health services of most concern to you.

Please remember that the benefits may have changed since this guide was printed. Always doublecheck with the carrier or your insurance agent before buying a product. You can call the Commissioner's Hot-Line at 1-800-562-6900 to see if we have more up-to-date information available. You can also check our website at http://www.wa.gov/ins

Benefits compared to the BHP

Carrier	Plan Name	Preventive	Maternity	Mental Health	Rehab	Rx	Wellness
Premera Group							
Blue Cross of WA & AK	Model Plan	Yes	Yes	Yes	No	Yes	No
	Plan A 15	Yes	No	Yes	No	Yes	No
	Traditional	No	No	No	Yes	Yes	No
	Prudent Buyer Sense 750/20	No	No	No	Yes	Yes	No
	BasicOne	No	No	No	Yes	No	No
Medical Service Corp.	Prime Care 20	Yes	Yes	Yes	Yes	Yes	No
	Preferred Provider Org. 750	No	Yes	Yes	Yes	Yes	Yes
Group Health Cooperative	Model Plan	Yes	Yes	Yes	No	Yes	No
	Major Medical	Yes	No	Yes	Yes	Yes	Yes
	$500 Deductible	Yes	No	Yes	Yes	Yes	Yes
Regence Blue Shield	Model Plan	Yes	Yes	Yes	No	Yes	No
	Selections 96	Yes	No	No	Yes	Yes	No
	Passport	Yes	No	No	Yes	Yes	No
Aetna US Healthcare	Model Plan	Yes	Yes	Yes	No	Yes	No
	Individual Plan	Yes	Yes	No	Yes	Yes	No
Kitsap Physicians Service	Model Plan	Yes	Yes	Yes	No	Yes	No
	Essential Choice 500/1000	Yes	No	No	Limited	No	No
NW Wash. Med. Bureau *formerly Whatcom/Skagit Medical Bureaus*	Model Plan	Yes	Yes	Yes	No	Yes	No
	Plan A	No	Yes	Yes	No	Yes	No
	Plan C	No	Yes	Yes	No	Yes	No
	$2000 Deductible Option	No	Yes	Yes	No	Yes	No
	$4000 Deductible Option	No	Yes	Yes	No	Yes	No
Regence BCBS of Oregon	Model Plan	Yes	Yes	Yes	No	Yes	No
	CHEC Plan	Limited	Yes	Yes	Yes	Yes	No
	Preferred CHEC Plan	Limited	Yes	Yes	Yes	Yes	No
Group Health Northwest	Model Plan (Eastern WA)	Yes	Yes	Yes	No	Yes	No
	$250 Deductible Option	Yes	Yes	Yes	Yes	Yes	Yes
	Model Plan (Central WA)	Yes	Yes	Yes	No	Yes	No
	$250 Deductible Option	Yes	Yes	Yes	Yes	Yes	Yes

*Plan features as of **10/1/98***

Can I see doctors outside of my plan's list?

Usually, managed care health plans limit access to health care providers to a "network." The network includes the providers the plan hires to provide your care. This is one of the main ways managed care plans can hold down the cost of coverage.

It is possible that a particular doctor you like or with whom you are currently getting treatment is not in a given plan's network. You may want to look for a plan that has more flexibility in choosing your provider.

Some plans will allow you to go outside of their network of providers if you are willing to pay a little more. This chart shows which plans allow access to "out-of-network" providers and how much extra you will pay out of pocket through "co-pays" or co-insurance if you go to one.

Call the carrier for clarification of your responsibilities if you go outside of their network. As always, the Commissioner's Hot Line (1-800-562-6900) is another resource in helping you understand your coverage.

Women: Remember that, under Washington law, you have a right to go directly to your women's health care provider without going through a managed care "gatekeeper." However, your plan may still limit your choice to providers who belong to its network.

Carrier/Plan Name	Network-- You Pay	Non-Network Option?	Non-Network You Pay
Premera Group			
Blue Cross of WA & AK			
Model Plan	$10	No	
Plan A 15	$15	No	
Traditional	20%	Yes	50%
Prudent Buyer Sense 750/20	$20+20%	Yes	50%
BasicOne	20%	Yes	50%
Medical Service Corp.			
Prime Care 20	$20	No	
Preferred Provider Org. 750	20%	No	
Group Health Cooperative			
Model Plan	$10	No	
Major Medical	variable	No	
500 Deductible	variable	No	
Regence Blue Shield			
Model Plan	$10	No	
Selections 96	$15 +20%	No	
Passport	30%	No	
Aetna US Healthcare			
Model Plan	$10	No	
Individual Plan	$15	No	
Kitsap Physicians Service			
Model Plan	$10	No	
Essential Choice 500/1000	20%	Yes	20%
NW Wash. Med. Bureau (*formerly Whatcom/Skagit Medical Bureaus*)			
Model Plan	$10	No	
Plan A	$20+30%	Yes	$20+30%
Plan C	20%	Yes	20%
$2000 Deductible Option	20%	Yes	20%
$4000 Deductible Option	20%	Yes	20%
Regence BCBS of Oregon			
Model Plan	$10	No	
CHEC Plan	20%	Yes	20%
Preferred CHEC Plan	20%	Yes	40%
Group Health Northwest			
Model Plan	$10	No	
$250 Deductible Option	$10	No	

*Plan features as of **10/1/98***

Measuring quality of service by health carriers

It has been very difficult for consumers to compare the quality of service provided by the many health carriers. Currently, there is no single agency or commercial service that surveys the satisfaction of consumers who are enrolled with different plans in Washington state.

To provide some comparison, this guide looks at three measurements of quality. None is a perfect way to look at the carriers or their services. Two do not cover all the carriers in this guide. However, there still is value in considering all the information available.

Complaint ratios

Consumer complaints are one way of looking at quality of service. They are a reverse indicator of customer satisfaction, because they reflect the experience consumers have had in dealing with their insurer.

When a complaint comes to the Office of the Insurance Commissioner, the consumer has usually already tried to resolve his or her problem with the insurer. Taking the step of calling our Hot Line generally represents a level of frustration and dissatisfaction with the carrier's service.

The following chart compares all the carriers in this guide for complaints filed with the Office of the Insurance Commissioner in 1997. The numbers for each health care carrier are a ratio computed by dividing the number of complaints against that carrier by its total enrollment for the same year. The value of these ratios lies in comparing the ratio across the carriers in each category, not in the actual numerical value of the ratio.

The chart shows a ratio for:

- all complaints received against the carrier in 1997
- complaints about claims that were rejected by the carrier
- complaints about delays in processing claims

Using a ratio instead of a raw number of complaints takes into account that some carriers do relatively little business and, logically, would have fewer complaints filed (i.e., NW Washington Medical Bureau or Regence Blue Cross Blue Shield of Oregon). Others—notably Regence Blue Shield of Washington or Premera—have huge numbers of subscribers, and it would be expected that more complaints would be filed against them.

Carrier	Total 1997	Denial of claims	Delays in claims handling
Premera Group	39.7	14.8	4.4
Group Health PS	16.4	5.8	1.1
Regence Blue Shield	24.3	11.4	1.1
Aetna US Healthcare	26.9	16.1	5.4
Kitsap Physicians Service	17.7	8.2	2.7
NW Wash. Med. Bureau	61.8	13.6	1.1
Regence BCBS of Oregon	4.8	2.4	0.0
Group Health Northwest	20.0	4.8	2.8

Accreditation of carriers by national organizations

We have looked at the determinations of two organizations that offer accreditation services. It is important to note that accreditation is voluntary, and carriers must ask for it in order to receive a rating. You should not assume that lack of accreditation equals poor performance. However, when a carrier receives accreditation, this indicates it meets minimum quality standards set by the examining organization.

The organizations this guide refers to are:

American Accreditation HealthCare Commission (AAHCC)

The AAHCC is a not-for-profit organization established in 1990 by the managed-care industry, health-care providers, consumers, and regulators. It is focused on measuring and setting standards for carrier programs to review how often and how much certain services are utilized. AAHCC's goal is to encourage more efficient and effective managed care.

Regence Blue Shield and **Aetna US Healthcare** have received accreditation by the AAHCC.

National Committee for Quality Assurance (NCQA) The NCQA is a national not-for-profit organization that uses physicians to evaluate the structure and quality improvement processes of health plans. It measures the plans' ability to deliver high quality care. Beginning next year, NCQA accreditation surveys are to include health plan report cards that will be available to participating plans' subscribers.

The carriers in this guide who have full accreditation from NCQA are: **Premera** (Blue Cross of Washington and Alaska & Medical Services Corporation), **Group Health Cooperative of Puget Sound,** and **Group Health NW.**

The other carriers covered by this guide have not sought accreditation from these organziations.

Public Employee Benefits Board (PEBB) survey

The Public Employees Benefits Board surveyed employees of the State of Washington in 1997 about their experience with the health plan they had chosen for their health insurance benefit.

State employees were questioned on several areas of services and concerns. The responses were compiled and analyzed, and a "star" rating was assigned for each concern. The chart reflects the findings.

An important note: This rating does not necessarily apply to the commercial products offered to individuals by the carriers, because it is based on state employee plans. Also, only six of the eight carriers in this guide were covered by this evaluation. However, the survey measures the experience of actual consumers dealing with carriers, and there is value in looking at that experience. (Three stars indicates top rating.)

Carrier	Customer Service	Reasonable Paperwork	Easy to get referral	Getting care you need	No long waits	Overall Rating
Premera Group *(for Medical Service Corp only)*	***	**	***	**	**	***
Group Health Co-op *(includes GH of Puget Sound &GH NW)*	**	***	**	**	**	***
Regence Blue Shield	**	*	*	**	*	**
Kitsap Phys Svc	***	**	**	**	**	**
NW WA Med Bureau	*	**	**	**	**	**

What carriers are in my area?

A few plans provide coverage statewide, but most only cover certain areas of Washington. Following are the areas in which the carriers do business:

Carrier	Service Area
Premera Group	
Blue Cross of WA & AL	Greater Puget Sound
Medical Services Corp	Eastern Washington
Group Health Puget Sound	Greater Puget Sound
Regence Blue Shield	Greater Puget Sound Yakima, Walla Walla
Aetna US Healthcare	Greater Puget Sound Walla Walla
Kitsap Physicians Service	Kitsap, Mason and Jefferson counties
NW Medical Bureau	Whatcom, San Juan Skagit, Island counties
Regence BCBS Oregon	SW Wash. counties
Group Health Northwest	Central and Eastern Washington

This Consumer's Guide is one of a series
prepared by the Office of the Insurance Commissioner.
Any insurance consumer who needs help with an insurance problem or
who feels he or she is not being treated fairly by an insurer, please call
1-800-562-6900.

A special arm of the Insurance Commissioner's Office offers information
and counseling on Medicare, Long-Term Care Insurance, employee-related
benefits and pre-retirement planning. Please call our Statewide Health
Insurance Benefits Advisors (SHIBA) referral line,
1-800-397-4422.