



**SCOTT & WHITE HEALTH PLAN
POLICIES AND PROCEDURES**

TOPIC: Out-Of-Network Facility-Based Provider
Payment Policy

Policy #:
Page: 1
Approved Date: 03/31/2011
Reviewed:
Revised: N/A

Approved By: _____
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Chief Executive Officer

I. POLICY

Scott & White Health Plan (SWHP) shall follow the Texas Department of Insurance (TDI) Code under Title 8. Health Insurance and Other Health Coverages, Subtitle F. Physicians and Health Care Providers, Chapter 1456, Disclosure of Provider Status.

SWHP shall follow The Texas Insurance Code's (TIC) definition of a facility-based physician in accordance with Sec 1456.001, Definitions, which defines a facility-based physician as "a radiologist, an anesthesiologist, a pathologist, an emergency department physician, or a neonatologist: (A) to whom the facility has granted clinical privileges; and (B) who provides services to patients of the facility under those clinical privileges.

To assure SWHP adherence to TIC Sec 1456.003, Required Disclosure: Health Benefit Plan, the following criteria must be met:

1. Each health benefit plan that provides health care through a provider network shall provide notice to its enrollees that:
 - A facility-based physician or other health care practitioner may not be included in the health benefit plan's provider network
 - A health care practitioner described by Subdivision (1) may balance bill the enrollee for amounts not paid by the health benefit plan
2. The health benefit plan shall provide the disclosure in writing to each enrollee: (1) in any materials sent to the enrollee in conjunction with issuance or renewal of the plan's insurance policy of evidence or coverage; (2) in an explanation of payment summary provided to the enrollee or in any other analogous document that describes the enrollee's benefits under the plan; and (3) conspicuously displayed

on any health benefit plan website that an enrollee is reasonably expected to access.

3. A health benefit plan must clearly identify any health care facilities within the provider network in which facility-based physicians do not participate in the health benefit plan's provider network. Health care facilities identified under this subsection must be identified in a separate and conspicuous manner in any provider network directory or website directory.
4. Along with any explanation of benefits sent to an enrollee that contains a remark code indicating a payment made to a non-network physician has been paid at the health benefit plan's allowable or usual and customary amount, a health benefit plan must also include the number for the department's consumer protection division for complaints regarding payment.

II. DEFINITIONS

- Facility-based physician is defined as “a radiologist, an anesthesiologist, a pathologist, an emergency department physician, or a neonatologist:” (A) to whom the facility has granted clinical privileges; and (B) who provides services to patients of the facility under those clinical privileges.

III. PROCEDURE

In order to comply with TIC Sec 1456.001, Applicability of Chapter and Sec 1456.007, Health Benefit Plan Estimates of Charges, SWHP shall:

- On the request of an enrollee, provide an estimate of payments that will be made for any health care service or supply and shall also specify any deductibles, copayments, coinsurance, or other amounts for which the enrollee is responsible.
- The estimate must be provided no later than the 10th business day after which the estimate was requested.
- Advise the enrollee that (1) the actual payment and charges for the services or supplies will vary based upon the enrollee's actual medical condition and other factors associated with performance of medical services; and (2) the enrollee may be personally liable for the payment of services or supplies based upon the enrollee's health benefit plan coverage.

In addition, as part of this policy, SWHP shall document a notice on its website, www.swhp.org, that “although health care services may be or have been provided to an enrollee at a SWHP participating provider facility, other professional services that may be or may have been provided at or through the facility by physicians and other health care practitioners who are not participating providers of the SWHP Provider Network,

may result in the enrollee being responsible for payment of all or part of the fees for those professional services that are not paid or covered by the enrollee's health benefit plan.”

Any dispute(s) arising between the non-participating physicians or other health care practitioners, the enrollee shall be referred to the SWHP website, which provides a link to the TDI website, <http://www.statutes.legis.state.tx.us/Docs/IN/htm/IN.1456.htm> regarding the appeal process related to facility-based physicians, Sec. 1456.004, Required Disclosure. Facility-Based Physicians.

In administering this policy, SWHP shall use Texas Department of Insurance Codes, consistently with our benefit plans and participating facility provider contracts.

IV. REIMBURSEMENT

This policy shall enhance SWHP provider contracting initiatives and strategies, improve facility reporting, assist in reducing appeals related to facility-based provider payments and more closely align SWHP practices with the Texas Department of Insurance.

Reimbursement rates shall be based on SWHP's Out-Of-Network Allowed Fee Schedule for HMO and POS.

- V. **DISCLAIMER** This facility may have a facility-based physician or facility-based health care practitioner, such as a radiologist, an anesthesiologist, a pathologist, an emergency department physician, or a neonatologist that is not included in the network. Non-participating facility-based physicians and non-participating facility-based health care practitioners may balance bill the enrollee for amounts not paid by the enrollee's health benefit plan. For more information, please refer to the 1-800 number located on the enrollee's ID card.

VI. REFERENCES

1. Texas Department of Insurance, Administrative Code, Accessed March 30, 2011 at: <http://www.statutes.legis.state.tx.us/Docs/IN/htm/IN.1456.htm>

VII. POLICY HISTORY/UPDATES

Origination Date: March 30, 2011
