

Out-of-Network Emergency Services

Beginning Oct. 1, 2011, upon the renewal of your policy, Blue Cross Blue Shield of Arizona (BCBSAZ) is changing the way it calculates payment for emergency services its members receive from out-of-network healthcare providers. BCBSAZ will determine the price for emergency services from out-of-network providers using a formula identified by the Patient Protection and Affordable Care Act (PPACA) as fair and reasonable. The price is determined as the highest of the three following amounts (not to exceed the amount the provider bills):

- The median in-network provider negotiated rate for the emergency service furnished,
- The amount for the emergency service calculated using the same method BCBSAZ generally uses to determine reimbursement for non-emergency out-of-network services,
- Or the amount that would be paid by Medicare Part A or B.

Since out-of-network providers have no contractual relationship with BCBSAZ, you could be balance billed for the difference in the amount paid by BCBSAZ and the amount billed by the provider for out-of-network emergency services.

Understand Your Rights. If you received out-of-network emergency services, BCBSAZ will pay this claim (minus any cost-share you're responsible for) based on these three methods. On your mailed Member Health Statement and your online Explanation of Benefits (EOB), this is called the "Allowed Amount."

If you received emergency medical services from an out-of-network provider and the provider is seeking more than the BCBSAZ Allowed Amount, ask yourself the following questions:

1. Did you agree to pay the full billed charge or were you too incapacitated to agree on a price?
2. Did you have any choice in the provider used?

When no "meeting of the minds" is reached on out-of-network emergency services, the law states that the provider is entitled to the reasonable value

of the services (what the PPACA formula is meant to represent). Patients can negotiate with providers who bill for more than that amount.

Negotiate Your Bill. Here are some helpful tips on how to have a conversation with a provider who has billed more than the Allowed Amount for out-of-network emergency services.

- Take your Member Health Statement or EOB that features the out-of-network emergency services claim to the provider, and show the provider how the three prices were compared. Let the provider know that the Allowed Amount is the highest of all three.
- Be willing to pay fair market value for the services. Remember, the Allowed Amount is the highest of three different pricing methods as established by PPACA as the objective standard to determine a reasonable price.
- BCBSAZ sends payment for out-of-network claims directly to its members, not the providers. Offer to turn over your reimbursement check from BCBSAZ along with your cost share (any deductible, access fee or coinsurance) in exchange for a complete release from the bill.

While it is possible the provider could take action against a patient over an unsettled bill for an out-of-network emergency services claim, the provider would be required to prove the reasonable amount for the services.

To help minimize your out-of-pocket costs, choose a provider in the BCBSAZ network whenever possible. For the BCBSAZ in-network provider directory, visit azblue.com/Providers.

