

Questions and Answers to Help Our Members

October 31, 2011

Beaumont Hospital and Blue Care Network continue contract discussions; Blues remain committed to providing access to quality care without excessive costs

1. **If no agreement is reached, when would BCN coverage at Beaumont hospitals be affected?**

There will be no difference in reimbursement for services BCN members receive at Beaumont hospitals until Jan. 12, 2012.

2. **What hospitals are affected?**

William Beaumont Hospital Royal Oak, William Beaumont Hospital Troy, William Beaumont Hospital Grosse Pointe.

3. **What important points should I know about the situation?**

- BCN members can continue receiving services at Beaumont hospitals and there is no change at this time. Agreements are in place with BCN and Beaumont hospitals until Jan. 12, 2012.
- The Beaumont action does not affect the services provided in your doctor's office.
- BCN members have broad access to 120 other hospitals across the state, including more than 25 hospitals within 20 miles of Beaumont hospitals.
- BCN members can get the same procedure at another BCN-participating hospital.

4. **Why hasn't an agreement been reached with these hospitals?**

Hospital costs are a key factor in what members pay for health insurance. Beaumont Hospital wants a double-digit increase in what Blue Cross pays for hospital services, even though it already makes a 15 percent profit margin on Blues patients. Giving in to unreasonable demands by Beaumont only harms Blue Care Network members—by driving up what they or their employers pay for health care and health insurance.

5. **What was the Blues' response to the hospitals' demands?**

The Blues provided Beaumont with a proposed increase that is very fair. Currently Beaumont hospitals make a 15 percent financial margin (profit) on the Blues members they see. Blue Cross also wants Beaumont to develop a value-based incentive arrangement that rewards Beaumont hospitals when they develop initiatives that provide quality care more efficiently.

6. **Are services provided in a physician's office affected?**

No. BCN will pay for covered physician and professional services as long as the physician participates with BCN. Beaumont's action does not affect primary care physicians or specialists' offices. Additionally, many BCN participating physicians have privileges to practice at high-quality hospitals other than Beaumont.

7. What will happen when Beaumont Hospitals are no longer participating in the BCN network?

Services provided by Beaumont hospitals are available at other nearby hospitals that participate with Blue Care Network. BCN will work with physicians to make sure members are directed to nearby participating hospitals. Should Beaumont leave the network, BCN will pay for elective services at Beaumont only if they are preauthorized by BCN. (This will be a small number of services, if any, as all elective services can be provided at other contracted hospitals.) Emergency services still will be covered. On or after Jan. 12, Blue Care Network members would be responsible for paying Beaumont charges for nonemergency services, unless the service is pre-approved by BCN as an out-of-network service.

8. What other hospitals can I go to?

BCN has many participating hospitals in Southeast Michigan, and there are more than 25 very good hospitals within 20 miles of Beaumont's three hospitals in Royal Oak, Troy and Grosse Pointe. To view the list of hospitals within 20 miles of the Beaumont Hospitals, go to **MiBCN.com/blueupdate**. A complete list of hospitals is available on our website at **MiBCN.com/find**.

9. What about emergency care for BCN members if Beaumont leaves the BCN network?

Emergency care would still be covered minus members' applicable copayments and deductibles. BCN members requiring additional services may be transferred to a participating (network) hospital.

10. What about elective surgery and other services for BCN members?

If the hospitals are not in the network, BCN will no longer cover elective surgeries and services at a Beaumont hospital, unless the procedures involve designated services that are not available locally except at Beaumont. Because other nearby hospitals provide the same services, we anticipate that there will be very few, if any, elective procedures that BCN will need to continue to pay for at Beaumont.

Physicians must get prior approval to provide the designated services for reimbursement at Beaumont. Members who continue to use Beaumont for nondesignated, elective services will have to pay whatever the hospitals charge for care, which can be substantial.

11. I know I need elective surgery and was planning to have it done at Beaumont on or after Jan. 12, 2012. What should I do?

There would be no impact if the surgery occurs prior to Jan. 12. However, BCN will soon begin redirecting elective surgeries scheduled on or after Jan. 12 to other participating hospitals in case Beaumont leaves the BCN network. Talk with your doctor to find out if he or she has privileges at another hospital, or can refer you to a colleague who has privileges at another hospital to have the procedure performed.

12. What about services that are available only at Beaumont?

All affected services are available at other acute care hospitals located in Southeast Michigan.

13. Are outpatient services as well as inpatient services at Beaumont affected?

Inpatient and outpatient services at Beaumont hospitals are affected, including radiology. Outpatient services that are not affected include laboratory services, home health, hospice, home infusion, and the Beaumont ambulatory surgery centers in West Bloomfield and Macomb Township.

14. Can I continue to get coverage for services such as X-rays or MRIs at Beaumont Hospital's outpatient radiology department?

These services will not be covered if Beaumont leaves the network. Members should make arrangements to have those services done at the many other BCN network participating medical centers or hospitals in the area.

15. Are outpatient lab services provided by Beaumont affected?

No, outpatient laboratory services are not affected. Lab services at Beaumont are provided by a company that has a separate contract with Blue Care Network.

16. I'm scheduled for surgery at one of the Beaumont ambulatory surgery centers in West Bloomfield or Macomb Township in January. Will my surgery be covered?

Yes, surgeries and other procedures at the Beaumont ambulatory surgery centers in West Bloomfield and Macomb Township will continue to be covered by Blue Care Network. They have separate arrangements with BCN.

17. What about patients who are planning to deliver their babies at Beaumont?

BCN members in the first trimester of pregnancy on Jan. 12, 2012, will be redirected by BCN Care Management to a BCN-contracted hospital for their delivery. BCN members in the second or third trimester at that time can deliver their babies at Beaumont and there will be no change to their coverage.

18. What about hospital-based cancer treatment? Will it be covered?

BCN permits members to continue an ongoing course of treatment in certain situations for a specified period of time when disruption of the treatment could cause a recurrence or worsening of the condition. If the member's doctor believes such a case exists and that care at Beaumont is necessary, the doctor should contact BCN Care Management to request approval of coverage.

19. What about elective surgery and other services for BCN members at a non-network hospital?

BCN will continue to pay for certain services. However, a physician referral and plan authorization would be required. BCN will not authorize elective services that can be provided at other participating (network) hospitals.

20. If I am receiving outpatient chemotherapy or radiation treatments for cancer at Beaumont, can I continue to receive coverage for those treatments?

BCN permits members to continue an ongoing course of treatment in certain situations for a specified period of time when disruption of the treatment could cause a recurrence or worsening of the condition. If the member's doctor believes such a case exists and that care at Beaumont is necessary, the doctor should contact BCN Case Management to request approval of coverage.

21. If I am in the hospital on Jan. 12 and Beaumont leaves the network, will BCN provide coverage to complete my hospital stay at Beaumont?

Yes.

22. What about BCN members who are already in a course of treatment and are using these hospitals?

BCN permits members to continue treatment in certain situations for a specified period of time. For example, expectant mothers who are in their second or third trimester as of the hospital contract expiration date may continue care at the affected hospitals. You may want to discuss your specific situation with your physician to see if he or she believes you can safely be moved to another BCN health care provider. If not, your physician can call BCN Care Management to request continued care at Beaumont for a specified period of time.

23. Will physical therapy be covered?

Physical therapy provided in your physician's office would be covered. Physical therapy provided at a Beaumont Hospital or Beaumont outpatient physical therapy center would not be covered. Members who start physical therapy at a Beaumont facility before Jan. 12, 2012, may complete the course of treatment. Members who require physical therapy on or after Jan. 12, 2012, due to a new episode of care would need to receive services at a non-Beaumont facility.

24. What if I am scheduled for outpatient tests or services on or after Jan. 12? What do I do if it appears they might not be covered?

Check with your physician's office. Your doctor can provide you with help in rescheduling as needed.

25. What if I want to change my primary care physician? What is the procedure?

Members can change their PCP online via Member Secured Services at **MiBCN.com**, or they can call the BCN customer service number on the back of their ID card.

26. Are services to members enrolled in Blue Cross products affected?

The Beaumont notice to leave the network only cited BCN. Blue Cross members enrolled in PPO, Traditional and Health Savings Account products are not affected. BCBSM Medicare Advantage members are not affected. Only members with non-Medicare Blue Care Network coverage are affected.

27. Are services to members enrolled in BCN's Medicare products affected?

No. Services for members covered by BCN's Medicare Advantage product, BCN Advantage HMO-POSSM, are NOT affected. BCN 65SM and MyBlue MedigapSM members are also not affected.

28. Are BlueCaid members affected?

No.

29. Are hospitals other than Beaumont affected by this?

No.

30. How can I receive information updates?

Please continue to check our web page at **MiBCN.com/blueupdate** for new information as it becomes available.

Note: Normal copays and deductibles would apply to covered services. This document is based on information available at the time of publication. BCN reserves the right to update this information as appropriate.