


Tips

Due to the fact that provider networks are constantly changing, it may be best to contact new providers prior to receiving services to ensure that they still participate with your insurance company.

Before seeking specialist care, familiarize yourself with your plan's referral policies. Proper referral will help to ensure the correct copay and /or coinsurance apply.

EOBs are most commonly mailed to your home. Keep these EOBs organized, and compare them to statements you receive from providers. Careful review of EOBs will ensure you receive accurate benefit coverage.

Most importantly, it is always best to contact your insurance company for specific requirements of your plan.



Understanding Insurance and Managed Care Terminology



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Commonly Used Acronyms

PPO = Preferred Provider Organization. This is a program in which contracts are established between physicians/facilities and insurance companies. Usually, the plan provides better benefits for services received from participating physicians and facilities. These participating physicians and facilities can be found in your provider directory.

HMO = Health Maintenance Organization. This is a company that provides or arranges for coverage of certain health services needed by plan members for a fixed, prepaid premium. Coverage within the contracted network is usually at 100%. HMOs often require referrals from PCPs for specialist care, and rarely allow beneficiaries to use physicians or facilities outside of their contracted network.

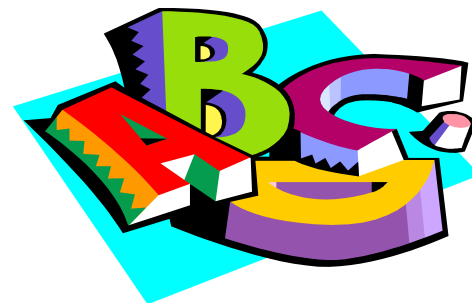
POS = Point of Service. POS is sometimes referred to as an "open-ended HMO" because it is like an HMO that allows patients to receive care either from participating, or non-participating physicians and facilities. If you choose a physician or facility

that is outside the network, coverage is usually significantly less, thereby encouraging patients to use participating physicians and facilities. PCP referrals for specialist care are sometimes required.

Indemnity Insurance = Traditional coverage in which the physician is paid based on the amount billed. There are no provider networks or discounts with indemnity coverage.

PCP = Primary Care Physician. A physician, the majority of whose practice is devoted to internal medicine, family practice, or pediatrics. In a HMO or POS plan, the PCP is the *gatekeeper* which means that he/she controls patient referrals to specialists.

EOB = Explanation of Benefits. This is a statement sent to physicians/facilities and also to patients by the insurance company listing the services provided, amount billed, and payment made. EOBs usually contain a column illustrating the portion of the balance for which the patient is responsible.



Other Commonly Used Terms

Precertification: A review of the need for a procedure done by the insurance company prior to performance of the procedure. Established criteria are used to determine the appropriateness of the proposed procedure.

Deductible: A specific dollar amount that must be incurred by a patient before an insurance company makes payment on the patient's claims.

Coinsurance: The portion of covered services, usually a percentage, for which the patient is financially responsible after the deductible has been satisfied. For example, in a PPO plan coinsurance may be 10%. In this example, the insurance company pays 90% after the deductible has been met.

Co-payment (Co-pay): The portion of charges for covered services (expressed as a dollar amount) that must be paid by the patient at the time of service. Copays generally do not count toward the deductible.

Referral: Insurance companies may require patients to obtain a referral before seeking care from a specialist. Referrals usually come from a PCP, and may be written, verbal, or electronic.