HEALTH PLAN POLICY		
Policy Title: Out of Network Payment Policy		**Policy Number:** OPC30 **Revision:** F
Department: Operations	**Sub-Department:** Claims	
Applies to Product Lines: ☐Medicaid ☐Children's Health Insurance Plan ☒Health Insurance Exchange ☒Medicare		☒USFHP ☒Commercial Insured ☒Non Insured Business
Origination/Effective Date: 02/08/2018		
Reviewed Date(s):	**Revision Date(s):** 05/22/2019, 03/11/2020, 10/01/2020, 03/09/2021, 08/17/2021, 12/20/2021	

SCOPE:

The purpose of this policy is to provide *Out-of-Network* payment policies for all CHRISTUS Health Plans lines of business. Coverage for Out of Network (OON) services provided to a CHRISTUS Health Plan member depends on several factors, including whether the services meet the plan's definition of Covered Services and whether the plan's utilization management requirements have been satisfied.

DEFINITIONS AND ACRONYMS:

- **Covered Service(s)** or **Covered Benefit** means a benefit or service incurred by or on behalf of a Member for those services or supplies which are:
  - Administered or ordered by a Physician or other qualified Provider;
  - Medically Necessary to the diagnosis and treatment of an Injury or Illness;
  - Not excluded by any provision of the Contract; and
  - Incurred while the Member's coverage is in force under the Contract.
- **Emergency Medical Condition --** is a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, would reasonably expect the absence of immediate medical attention to result in:
  - Serious jeopardy to the health of the individual or, in the case of a pregnant woman, the health of the woman or her unborn child;
  - Serious impairment to bodily functions; or
  - Serious dysfunction of any bodily organ or part

  ** Emergency medical condition status is not affected if a later medical review found no actual emergency present.
- **Urgently Needed Services –** covered services that:
  - Are not emergency services as defined in this section but are medically necessary and immediately required as a result of an unforeseen illness, injury, or condition;
  - Are provided when:
    - The enrollee is temporarily absent from the plan's service area and therefore, he/she cannot obtain the needed service from a network provider; or

- When the enrollee is in the service or continuation area but the network is temporarily unavailable or inaccessible; and
    - Given the circumstances, it was not reasonable, for the enrollee to wait to obtain the needed services from his/her regular plan provider after the enrollee returns to the service area or the network becomes available.

- **Out of Network (OON) Services** are services provided by a provider who is not contracted to be a participating provider.
- **In Network (INN) Services** are services provided by a provider who is contracted to be a participating provider in the health plan.
- **A Qualified Service** is a service where the TRICARE Manuals specify that an OON provider must be paid according to the INN benefit.
- **An Unqualified Service** is a service where the TRICARE Manuals specify that an OON provider must be paid at the POS benefit.

POLICY:

Health Insurance Exchange: Texas & Louisiana

All non-emergent OON services require prior authorization. Emergent OON services are covered at the INN benefit if the condition meets the plan's definition of an Emergency Medical Condition. The patient is financially responsible for non-covered OON services and applicable copay, coinsurance, or deductibles.

Covered OON services are reimbursed according to the following payment hierarchy for OON services:

- 100% of Medicare rates, if no rate available then,
- 40% of billed charges,

Medicare Advantage

All non-emergent/urgent needed OON services require prior authorization. Emergent/urgently needed OON services are covered at the INN benefit if the condition meets the plan's definition of an Emergency Medical Condition or urgently needed condition. The patient is financially responsible for non-covered OON services and applicable copay, coinsurance, or deductibles.

When enrollees obtain plan-covered services, they will not be charged or held liable for more than the plan-allowed cost sharing. Providers who are permitted to "balance bill" will obtain the amount in excess of the enrollee's cost-sharing (the balance) for services, directly from the Plan, not the enrollee.

- Contracted Provider- There is no balance billing paid by either the plan or the enrollee.
- Non-contracting, original Medicare, participating provider- There is no balance billing paid by either the plan or the enrollee.
- Non-contracting, non (Medicare)-participating provider: The Plan pays the non-contracting, non participating or non-par provider the difference between the enrollee's cost-sharing and the original Medicare limiting charge, which is the maximum amount that original Medicare requires a Plan to reimburse a provider.

Covered OON services are reimbursed at 100% of Medicare rates.

- Acute inpatient hospital claims are reimbursed based on the Medicare Inpatient Prospective Payment System (IPPS). Payment is based on diagnosis related groups (DRG).
- Outpatient hospital claims are reimbursed based on the Medicare Outpatient Prospective Payment System (OPPS) and Ambulatory Payment Classifications (APC). if no rate available then,
- 40% of billed charges,

USFHP

Emergent and Urgently Needed OON services are covered at the INN benefit if the condition meets the plan's definition of an Emergency Medical Condition or Urgently Needed Service. The patient is financially responsible for non-covered OON services and applicable copay, coinsurance, or deductibles.

Unqualified, Covered OON services are reimbursed at 100% of TRICARE/CHAMPUS rates less member liability at the Point of Service benefit. Qualified, covered OON services are reimbursed at 100% of TRICARE/CHAMPUS rates less member liability at the Plan benefit.

- Acute inpatient hospital claims are reimbursed based on the TRICARE/CHAMPUS DRG-Based Payment System.
- Outpatient hospital claims are reimbursed based on the TRICARE Outpatient Prospective Payment System (OPPS)/Ambulatory Payment Classifications (APC).

Covered OON services are reimbursed according to the following payment hierarchy for OON services:

- 100% of TRICARE rates, if no rate available then,
- 100% of Medicare rates, if no rate available then,
- 40% of billed charges,

Exceptions

The following exceptions to the above policies apply equally to all lines of business

- Free Standing Emergency Rooms: Free Standing ER facilities that have a Medicare number will be paid at 100% of Medicare rates. Those without a Medicare number will be covered at a rate determined as the median of payments made for the same service to an INN ER (effective 11/1/2020)
- Children's Hospitals in Texas: Children's services are covered at 40% of billed charges for inpatient services and 35% of billed charges for outpatient services. (effective 12/18/18)

Member Cost-Sharing

Covered services may be subject to applicable member out-of-pocket cost (e.g., copayment, coinsurance, deductible).

REFERENCES:

- https://www.cms.gov
- https://health.mil/Military-Health-Topics/Business-Support/Rates-and-Reimbursement

- Medicare Managed Care Manual, Chapter 4

RELATED DOCUMENTS:

None

REVISION HISTORY:

Revision	Date	Description of Change	Committee
New	02/08/2018	Initial release.	Executive Leadership
A	05/22/2019	Yearly review. Removed Medicaid STAR and CHIP from the policy.	Executive Leadership
B	03/11/2020	Yearly review. Updated Definitions and Acronyms, References, and verbiage throughout policy. Removed section for New Mexico health exchange.	Executive Leadership
C	10/01/2020	Claims review. Added Louisiana information. Updated verbiage throughout policy. Made minor grammar corrections.	Executive Leadership
D	03/09/2021	Added exceptions: Free Standing ER and Children's Hospitals.	Executive Leadership
E	08/17/2021	Compliance review. Added MA balance billing information. Updated References.	Executive Leadership
F	12/08/2021	Updated the Free Standing Emergency Rooms reimbursement.	Executive Leadership