### What you should know about

#### Health Care Reform for Providers:

**Frequently Asked Questions**

<table>
<thead>
<tr>
<th>TIMELINE</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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**BlueCross Northeastern Pennsylvania**

*Leading the Way*

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What is Health Care Reform?
The Affordable Care Act (also known as Health Care Reform) is a federal law designed to provide more Americans with access to health insurance. This law changes the way health insurance is offered, to whom it is offered, what is included in health insurance coverage and how it is purchased. Some of these changes have already begun with most key changes taking place in 2014. One of the most significant changes is the creation of a public health insurance marketplace, also known as the Federally Facilitated Marketplace (FFM) or federal exchange, which launched on October 1, 2013.

For a detailed list of Health Care Reform provisions, please see our timeline of provisions or visit our Health Care Reform website at bcnepa.com/reform.

Does everyone need to have health insurance?
Beginning in 2014, most of your patients will be required to have health insurance or pay a tax penalty. This provision is called the “individual mandate.” You can learn more about the individual mandate, including exemptions and penalties, on our timeline of provisions or by visiting our Health Care Reform website at bcnepa.com/reform.

When will specific Health Care Reform guidelines go into effect?
Health Care Reform changes began in 2010, and have been ongoing, with more key changes scheduled to occur in 2014. Our timeline of provisions can help guide you through what has already changed and what changes may impact you and your patients in the future.

Where can I go for more information on Health Care Reform?
Find out more about Health Care Reform from any of these resources:

• Our timeline of provisions should help you understand Health Care Reform and how it may impact you.

• For details on specific tax credits, visit the IRS at irs.gov/uac/Affordable-Care-Act-Tax-Provisions.

• More information on the Federally Facilitated Marketplace and how to participate is available on healthcare.gov.
For Patients

What new health insurance benefits will my patients have?
If your patients purchased a new Affordable Care Act (ACA)-compliant Metal Plan, their health insurance plan will cover all of the required Essential Health Benefit categories mandated by Health Care Reform. However, not all of your patients will be covered by a new Metal Plan. Some Blue Cross of Northeastern Pennsylvania members may choose to renew their current BlueCare® Direct plan through December 31, 2014, meaning they will not have to be covered by a Metal Plan until January 2015.

What are the Essential Health Benefits?
Essential Health Benefits include comprehensive diagnostic, preventive and therapeutic health services across 10 general categories. Beginning January 1, 2014, every health insurance plan offered on the health insurance marketplaces must include these categories of benefits:

- **Ambulatory Patient Services** such as: doctors visits and outpatient services
- **Prescription Drugs** such as: generic drugs and preferred and non-preferred brand drugs
- **Emergency Services** such as: visits to emergency rooms and urgent care centers
- **Rehabilitative and Habilitative Services and Devices** such as: physical, occupational and speech therapy and chiropractic care
- **Hospitalization** such as: inpatient hospital services and surgical services
- **Laboratory Services** such as: blood work, X-rays and high-tech imaging
- **Maternity and Newborn Care** such as: prenatal and postnatal care and delivery and inpatient services for maternity care
- **Preventive and Wellness Services and Chronic Disease Management** such as: immunizations, nutritional therapy and diabetes management
- **Mental Health and Substance Use Disorder Services** such as: outpatient services and inpatient services
- **Pediatric Services, including Dental and Vision Care** (ages 0 to 19 years old) such as: routine eye exams and eyeglasses and dental checkups

The ACA defines 10 categories of benefits as Essential Health Benefits. The list of examples in each category is only an overview and not an all-inclusive list of the benefits covered under each Essential Health Benefit category. The descriptions are general, and some specific services in the categories or examples may not be covered. Also, limits may also apply to certain services. For more detail, please refer to product-specific benefit summary documents found on BlueCrossNEPAStore.com.

Details on these benefits can be found on our timeline of provisions or our Health Care Reform website at bcnepa.com/reform.
How might Health Care Reform affect my patients with Medicare?

If you have patients enrolled in Medicare or Medicare Advantage with Part D prescription drug coverage, they may have additional prescription drug discounts. These discounts apply to certain drugs in the “donut hole” coverage gap. You can read more about these drug savings on our Health Care Reform website at bcnepa.com/reform.

Even with this increase in coverage, Medicare doesn’t cover everything. Blue Cross of Northeastern Pennsylvania has supplemental coverage for your patients. Send them to the Blue Cross Store at BlueCrossNEPASTore.com to find a health insurance plan that fits their needs. Keep in mind, patients who are eligible for Medicare are generally not eligible for coverage on the Federally Facilitated Marketplace.

What is a Metal Plan?

Health insurance plans offered on the Federally Facilitated Marketplace and private marketplaces, such as BlueCrossNEPASTore.com, will be assigned “metallic” rankings (Platinum, Gold, Silver and Bronze) associated with the level of coverage they provide. Also offered is a Catastrophic plan. The differences between the levels are outlined below.

<table>
<thead>
<tr>
<th>Monthly cost</th>
<th>PLATINUM</th>
<th>GOLD</th>
<th>SILVER</th>
<th>BRONZE</th>
<th>CATASTROPIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost when you get care</td>
<td>$$$$$</td>
<td>$$$$</td>
<td>$$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Good option if you...</td>
<td>Typically need health care services. May have a chronic condition and/or take medications</td>
<td>Typically need a fair amount of health care services and/or take medications</td>
<td>Typically use an average amount of health care services and preventive care</td>
<td>Typically do not need a lot of health care services. Want to buy the lowest cost plan available</td>
<td>Typically don’t use health care services, but want the peace of mind just in case you might need to</td>
</tr>
</tbody>
</table>

As the chart illustrates, Platinum Plans will cost the most in premium each month, but out-of-pocket costs each time health care services are needed will be lower. Bronze Plans will have the lowest monthly premium cost but will likely have higher out-of-pocket costs when health care services are needed.

A Catastrophic Plan is also available to people who are under age 30 before the plan year begins or those who received a certification from the marketplace that they are exempt from the individual mandate due to an extreme financial hardship. This plan covers all Essential Health Benefit categories but only after out-of-pocket cost sharing reaches a high deductible.
What are the new health insurance plans offered by Blue Cross of Northeastern Pennsylvania?

We offer many new individual health insurance plans for 2014:

- myBlue® Choice
- myBlue Choice LP
- myBlue Access

How do the health insurance plans differ?

Shopping for a new health insurance plan can be confusing, because they all cover similar benefits. But they don’t all use the same provider networks. It’s important for you and your patients to understand how our networks of hospitals and doctors differ. The differences between the networks used by each plan are outlined below.

<table>
<thead>
<tr>
<th>Plans</th>
<th>myBlue Choice</th>
<th>myBlue Choice LP</th>
<th>myBlue Access</th>
<th>myBlue Access LP</th>
<th>myBlue Care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan type</td>
<td>Preferred Provider organization</td>
<td>Preferred Provider organization. May be paired with a health savings account</td>
<td>Custom Preferred Provider organization</td>
<td>Custom Preferred Provider organization. May be paired with a health savings account</td>
<td>Custom Preferred Provider organization</td>
</tr>
<tr>
<td>Network flexibility</td>
<td>Highest coverage with PPO network or BlueCard® PPO providers</td>
<td>Highest coverage with PPO network or BlueCard PPO providers</td>
<td>Highest coverage with Custom PPO network providers</td>
<td>Highest coverage with Custom PPO network providers</td>
<td>Highest coverage with Tier 1 Custom PPO network providers</td>
</tr>
<tr>
<td></td>
<td>You can use non-network providers at a higher out-of-pocket cost</td>
<td>You can use non-network providers at a higher out-of-pocket cost</td>
<td>You can use BlueCard PPO or non-network providers at a higher out-of-pocket cost</td>
<td>You can use BlueCard PPO or non-network providers at a higher out-of-pocket cost</td>
<td>You can use BlueCard PPO or non-network providers at a higher out-of-pocket cost</td>
</tr>
<tr>
<td>Need a PCP?</td>
<td>Not required</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost sharing</td>
<td>Copayment, deductibles and/or coinsurance apply</td>
<td>Deductibles and coinsurance apply</td>
<td>Copayment, deductibles and/or coinsurance apply</td>
<td>Deductibles and coinsurance apply</td>
<td>Copayment, deductibles and/or coinsurance apply</td>
</tr>
<tr>
<td>Care out of the area</td>
<td>National/international coverage with BlueCard when traveling outside our service area</td>
<td></td>
<td></td>
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</table>

Our online directory of network doctors and facilities at bcnepa.com/FindDoctorHospital.aspx will not only help your patients find doctors and hospitals in our service area and anywhere in the U.S.—it also helps them find the best providers for their specific needs. When patients are choosing a health care provider, quality and cost of care are important factors. Blue Cross of Northeastern Pennsylvania members have access to simple side-by-side comparison tools, and cost and quality data. These tools can help them make informed decisions so they get the highest quality of care at an affordable price.

Check out all of our health insurance plans at BlueCrossNEPASStore.com.
The Health Insurance Marketplaces

What are Health Insurance Marketplaces? What is the Federally Facilitated Marketplace?
Marketplaces, sometimes called exchanges, are online stores that allow your patients to purchase health insurance. Private marketplaces already exist, such as Blue Cross of Northeastern Pennsylvania’s online store BlueCrossNEPAStore.com. A Federally Facilitated Marketplace launched in Pennsylvania on October 1, 2013. All health insurance plans offered on health insurance marketplaces must include the required Essential Health Benefits.

BlueCrossNEPAStore.com allows your patients to shop for affordable health insurance plans that are part of the Blue Cross® Blue Shield® family—which has been part of your community for 75 years! Your patients will soon be able to access the Federally Facilitated Marketplace, right from our store, and determine if they are eligible for a premium tax credit or cost-share subsidy.

For more on marketplaces, visit our timeline of provisions or visit our Health Care Reform website at bcnepa.com/reform.

Who can shop on a marketplace?
Anyone who is purchasing their own individual health insurance coverage and small group employers (50 or fewer employees) can shop on a marketplace.

When can my patients shop on a marketplace?
Right now, your patients can shop BlueCrossNEPAStore.com for affordable health insurance plans that give them the benefits they want and the quality health care they deserve. Your patients will soon be able to reach the Federally Facilitated Marketplace right from BlueCrossNEPAStore.com and determine their eligibility for a premium tax credit or cost-share subsidy.

For more on marketplaces, visit our timeline of provisions or our Health Care Reform website at bcnepa.com/reform.

How can my patients use premium tax credits and cost-share subsidies to help purchase health insurance on the Federally Facilitated Marketplace?

Individuals may qualify for a federal premium tax credit if:
+ Their employer doesn’t offer health insurance.
+ Their employer’s health insurance doesn’t provide the minimum value.
+ Their employer’s health insurance plan costs them more than 9.5% of their income.
+ Their household income is equal to or less than 400% of the federal poverty level (currently $45,960 for an individual and $94,200 for a family of 4)

This federal premium tax credit can be used to help individuals purchase health insurance through the Federally Facilitated Marketplace beginning in 2014. The amount of the premium tax credit depends on a family’s size and income.

Patients may qualify for a federal cost-share subsidy if:
+ Their employer doesn’t offer health insurance.
+ Their employer’s health insurance doesn’t provide the minimum value.
+ Their household income is equal to or less than 250% of the federal poverty level (currently $28,725 for an individual and $58,875 for a family of 4)
+ They purchase a Silver Plan.

This federal cost-share subsidy can be used to help individuals reduce cost-sharing amounts such as deductibles, coinsurance or copayments. The amount of the cost-share subsidy depends on a family’s size and income.

Your patients will soon be able to access the Federally Facilitated Marketplace right from our store at BlueCrossNEPAStore.com to determine if they are eligible for a premium tax credit or cost-share subsidy. BlueCrossNEPAStore.com also offers many affordable plans that can be purchased without a cost-share subsidy or tax credit.

Visit our timeline of provisions to learn more about financial assistance.
Will my patients receive any notice about the Federally Facilitated Marketplace?

Your patients with health insurance through their employer should have received notice about the Federally Facilitated Marketplace from their employer. Employers must provide a written notice with information about the Federally Facilitated Marketplace, including a description of services provided and how to contact the Federally Facilitated Marketplace to request assistance.

Your patients with individual coverage through Blue Cross of Northeastern Pennsylvania have received information from us in the mail about the Federally Facilitated Marketplace.

For patients who need more information about the Federally Facilitated Marketplace, we offer several resources:

- You can send them to our Health Care Reform website at bcnepa.com/reform where they can find up-to-date information, tools, resources and videos.
- You can provide them with one of the Health Care Reform brochures that Blue Cross of Northeastern Pennsylvania distributed to your office. Keep in mind, if you need more brochures, call your provider service rep and we will be happy to send more.
- You can encourage them to visit one of our retail stores, weekdays, between 8 a.m. and 5 p.m., or during our extended night and weekend hours at one of these locations:

  Bartonville Plaza  
  292 Frantz Road, Suite 109  
  Bartonville, PA 18360

  Park Center  
  1019 Commerce Boulevard  
  Dickson City, PA 18519

  Corporate Headquarters  
  19 North Main Street  
  Wilkes-Barre, PA 18711
Next Steps for Your Office

What is “risk adjustment”?  
The Department of Health and Human Services (HHS) instituted commercial risk adjustment to reduce the impact of adverse selection and to preserve consumer choice. For risk adjustment to work, it requires accurate capture of patient risk through claims and encounter data. The revenues of insurers and providers, depending on risk sharing arrangements and incentives, are dependent on the accuracy of these risk scores as they are submitted to HHS. As such, HHS will require audits of patients’ medical records to validate the accuracy of coding submitted on the claims they have used to derive risk scores.

How does accurate coding impact me?  
There are 3 areas of impact for providers:

• **Accurately projecting medical expenditures for risk-sharing.** Providing better insight on the true risk associated with patients, coding accuracy and precision impact provider abilities to project medical expenditures, based on health care utilization, for a given population. Coding is undeniably important for providers to successfully prepare for or further engage in risk-sharing arrangements.

• **Less paperwork, lower burden.** Accurate coding the “first time” around will prevent practice disruptions from both medical record requests and claim resubmissions, potentially making available resources for other important practice initiatives.

• **Informed care practice.** Supported by coding, claims-based analytics can help solve for solutions and strategies for healthcare interventions and create more precise ways to identify patients eligible for disease and care management programs. Even more importantly, it helps in the endeavor to identify practice patterns and reduce variation when clinically appropriate.

Why start coding now?  
Postponing preparations for commercial risk adjustment could result in fewer of your patients engaging in preventive care and disease/care management programs. In addition, inaccurate coding may impact your practice financials and operations, making it harder to catch up over time.

As you know, the transition to ICD-10 is scheduled to take effect late 2014. This will require more detailed codes and practices to ensure accuracy, so improving processes now and implementing accuracy checks will make the transition easier, ultimately decreasing the administrative burden on office staff.

We are here to work with you and provide support as Health Care Reform continues to take effect. It is helpful to keep in mind the ultimate goal: to improve the quality of care while also making it more accessible and affordable.

Please feel free to contact your provider service rep if you have questions or would like to learn more.

What is the individual grace period?  
The individual grace period is a requirement for health insurance plans to provide a 3-month grace period for premium payment. This requirement only applies to individuals who buy and enroll in a health insurance plan through the Federally Facilitated Marketplace and receive a premium tax credit.

How can I determine if a patient purchased their plan through the Federally Facilitated Marketplace?  
To determine if your patient bought their health insurance plan on the Federally Facilitated Marketplace, check their member ID number. Member ID numbers that begin “FE” indicate a plan that was purchased on the Federally Facilitated Marketplace.
**What does the Individual Grace Period mean to me?**

According to Health Care Reform law, during the 3-month grace period, you can expect the following:

- BCNEPA is obligated to pay claims during the first month of the grace period.
- BCNEPA may pend claims during the second and third months of the grace period. If you provide care for the member or covered dependent(s) during this period, we will notify you by mail.
- If the individual pays all outstanding premiums by the end of the grace period, we will pay the claims, as appropriate.
- If not, the claims for the second and third months will be denied, in accordance with the Center for Medicare and Medicaid Services (CMS) final rule.

**Can I check to see if a patient has paid their premiums?**

Yes, you can now use NaviNet to check your patients' payment statuses. Go to "Product/Eligibility Information"; click on “Eligibility and Benefits Detail” and then, view “Paid to Date”. The paid to date will show the day, month and year through which the policy has been paid.

**I participate in Blue Cross of Northeastern Pennsylvania’s provider networks, what does it mean for me if someone purchases a BCNEPA plan on the Federally Facilitated Marketplace?**

Regardless of whether the health insurance plans are purchased on the Federally Facilitated Marketplace or directly through Blue Cross of Northeastern Pennsylvania, if you participate in our networks currently, you are considered an in-network provider. Participating providers must fulfill all contractual obligations.

If your application is received by the 15th of a month, your policy will become effective the 1st of the following month. If your application is received after the 15th of a month, your policy will become effective the 1st of the month after.

Blue Cross of Northeastern Pennsylvania individual health insurance plans are offered through First Priority Life Insurance Company, a licensed affiliate of Blue Cross of Northeastern Pennsylvania.

Blue Cross of Northeastern Pennsylvania is a Qualified Health Plan issuer in the Federally Facilitated Marketplace.

Blue Cross of Northeastern Pennsylvania administers health insurance plans for Blue Cross of Northeastern Pennsylvania, Highmark Blue Shield, First Priority Health® and First Priority Life Insurance Company®.

First Priority Life Insurance Company is an independent licensee of the Blue Cross and Blue Shield Association.