

Understanding Your Private Health Insurance

There is a lot to learn about health insurance, and this document may help you learn about your health plan. There are some questions on the last page that will also help you learn about your plan. To answer these questions, make sure you have a copy of your health insurance plan or policy. If you don't have one, call your member services number on your insurance card.

Do you have an Individual Policy or Group Plan?

Individual Policy: Insurance you buy from an insurance company or through a health care exchange.

Group Plan: Insurance through your job or other groups (such as trade organizations or schools). Usually there are only certain times of the year when you are allowed to enroll or make changes. The cost of the insurance may be deducted from your paycheck. If your insurance does not cover early intervention services, you can talk to your employer, organization, or school about getting these services covered.

What type of plan do you have?

Fee for Service Plan: You can see any healthcare provider. The provider will bill your insurance company and you will pay the provider the amount your insurance company does not pay. You may have to pay your part at the time of the visit.

Managed Care Plan: These plans have a network or group of providers for your choice of healthcare providers. These types of plans may cost you less. But choosing a healthcare provider outside of the network may cost you more. You will usually pay a set amount (or co-pay) for an office visit. There may be other payments based on the type of services during the visit. There are three types of managed care plans:

- **Health Maintenance Organizations (HMOs):** You choose a primary care doctor within your network who you see for routine care and illnesses; a referral for specialty care is needed and co-pays may be higher when seeing a specialist.
- **Preferred Provider Organizations (PPOs):** You choose your own doctor from a network of preferred providers each time you see a doctor. You may not need a referral to see a specialist.
- **Point of Service Plans (POS):** A combination of HMO and PPO. There is a network that functions like an HMO, in which you choose a primary care doctor from the network. You may or may not need a referral to see a specialist.

Are all insurance plans regulated by the Texas Department of Insurance (TDI)?

No. Some plans are regulated by TDI and you can contact TDI with concerns or complaints. Other plans are regulated by the US Department of Labor. You will have to ask your employer or the insurance company to find out which agency is regulating your insurance.

Covered services

Covered services are those services which the insurance plan will pay for completely or in part. Your health plan does not have to cover every service needed by your child. The plan may only pay for a certain number of some services. Check the handbook or call the insurance company to see what services are covered. If a service your child needs is not covered, you should talk to your ECI service coordinator before getting the service. Your service coordinator may be able to give you some additional information and help you figure out what you need to do next.

Prior authorization

Some plans require prior authorization or approval before certain services are provided. The doctor provides information to the plan to request the authorization. If the plan does not authorize the service, the insurance company will not pay for the service.

Appealing a denial of prior authorization

If your provider or insurance company tells you the service will not be approved, you can ask the provider if they will appeal (or send more information).

You can also call the insurance company directly to find out why the service was not approved. Information on the appeals process for your health plan is in the handbook you received from the insurance company. The appeal process will vary from health plan to health plan.

You may have to file your appeal within a certain period of time. Appeals filed outside the allowed time period will not be considered by the insurance company.

Appealing a denial of payment

You cannot appeal if the service was not covered by the plan or if your child has received more than the amount of services allowed.

Each time you see a healthcare provider, your plan sends an explanation of benefits (EOB) statement. This will tell you if a service was paid, denied or what you paid or may owe. It will also tell you why payment was denied.

If you believe a covered service should have been paid but was denied, you can call customer service to talk about the denial. You can also call the service provider to find out if they can correct the problem and appeal the denied claim.

If the insurance company still denies payment, you may be able to have an independent review organization (IRO) look at the denial. An IRO is an independent third party certified by the Texas Department of Insurance (TDI) (www.tdi.texas.gov/pubs/consumer/cb005.html).

You have a right to an independent review for denials of:

- services the plan does not consider medically necessary,
- services the plan considers experimental or investigational, and
- medically necessary medications that are not on the carrier's preferred drug list.

For questions, call TDI's Managed Care Quality Assurance Office at **1-866-554-4926** or **512-322-4266**.

The appeal process is different for insurance plans regulated by the US Department of Labor. You can get more information on the federal appeal and review process at the following website: www.dol.gov/ebsa/publications/filingbenefitsclaim.html#6

General tips

- If you contact your insurance company by phone, ask the service representative to send you a written summary of your discussion.
- Keep a record of every phone call to your plan with the name of the person you talked to, the date and time you spoke, and your notes of the call.
- If the health plan representative will get back to you, make sure you find out when you can expect that information. Follow up with the health plan if you have not heard back by that time.
- Your ECI service coordinator can help you, or locate someone at their agency to help you.

Review your plan and answer the following questions:

1. How much does your plan cost? Does your employer pay a portion of the cost or premium? Is the premium deducted from your paycheck?
2. Do you have a co-pay? Is the co-pay different for different types of providers?
3. Do you have a deductible? (The amount you must pay before the insurance company starts to pay.)
4. What is your plan's out-of-pocket maximum? (This is the highest amount an individual would pay in co-payments, deductibles, and co-insurance in a calendar year.)
5. Do you have a network of doctors, healthcare providers, or specialists you must choose from?
6. Are you required to have a referral to see a specialist?

