

CalPERS Health Benefits Program

Three Health Plan Delivery Approaches

- PPO Model → PERS Select, PERS Choice, PERSCare
- HMO Staff Model → Kaiser Permanente
- HMO IPA Model → Blue Shield of California

What's the difference between an HMO plan and a PPO plan?

PPO Features

- Open access approach
- No required Primary Care Physician designation
- No referral/authorization required for specialist providers
- Requires more cost sharing from members for medical services (i.e. deductible)

HMO Features

- Generally closed access approach
- Requires Primary Care Physician (Blue Shield) or Personal Plan Physician (Kaiser) designation
- May require referral/authorization for specialist providers
- Highly comprehensive coverage

Common Characteristics of PPO Members

- Willing to share in plan expenses to have unrestricted freedom to choose providers
- Seek freedom in selecting physicians
- Want ready access to specialists
- Rural locations
- Retirees who live out-of-state
- Travel frequently – need coverage portability

Common Characteristics of HMO Members

- Younger families
- More budget conscious consumers
- Not comfortable with open plan expenses proposition
- Urban dwellers

What's the Difference Between the Three CalPERS PPO Plans?

PERS Select

- New plan introduced in January 2008
- Subset (approximately 60%) of Anthem Blue Cross physician network
- Same benefit coverage as PERS Choice
- 6% lower premiums than PERS Choice

PERS Choice

- By far, the most popular plan in enrollment.
- Full Anthem Blue Cross PPO network
- Competitive premium rates with HMO plans

PERSCare

- Oldest plan
- Highest coverage levels

Common Benefit Features Between CalPERS PPO Plans

- Same deductible levels
- Same \$20 physician office copay coverage
- Same prescription drug coverage
- 100% preventive care coverage

How Does the Deductible Work Under the CalPERS PPO Plans?

- Some services, physician office visits (\$20) and prescription drugs require copayments that are not subject to the annual \$500 deductible.
- \$500 annual deductible would apply to all medical services other than physician office visits and prescription drugs.
 - Example: surgical procedures, hospital charges, lab and x-rays, chiropractic, acupuncture, behavioral health, physical therapy, etc.
- Family deductible is \$1,000 and is accumulated on an aggregate basis.

Example: How Copays and Deductibles are Applied

Assumptions: Adult PERS Choice member using Par Providers and deductible has not been met.

Date of Service	Service Performed	Total Negotiated Charge	Member's Cost
January 10	Physician Office Visit (with dermatologist)	-----	\$20 Copay
January 17	Follow-up Physician Office Visit Removal of mole (surgical procedure)	\$300	\$20 Copay \$300 (credited toward deductible)
January 19	Pathology Lab Review of removed mole with Pathologist MD opinion	\$200	\$200 (credited toward deductible. Deductible met for year.)
April 3	Physician Office Visit (with Orthopedist) Knee injury examination	-----	\$20 Copay
April 4	Physician ordered MRI on injured knee	\$800	\$160 (20% responsibility)

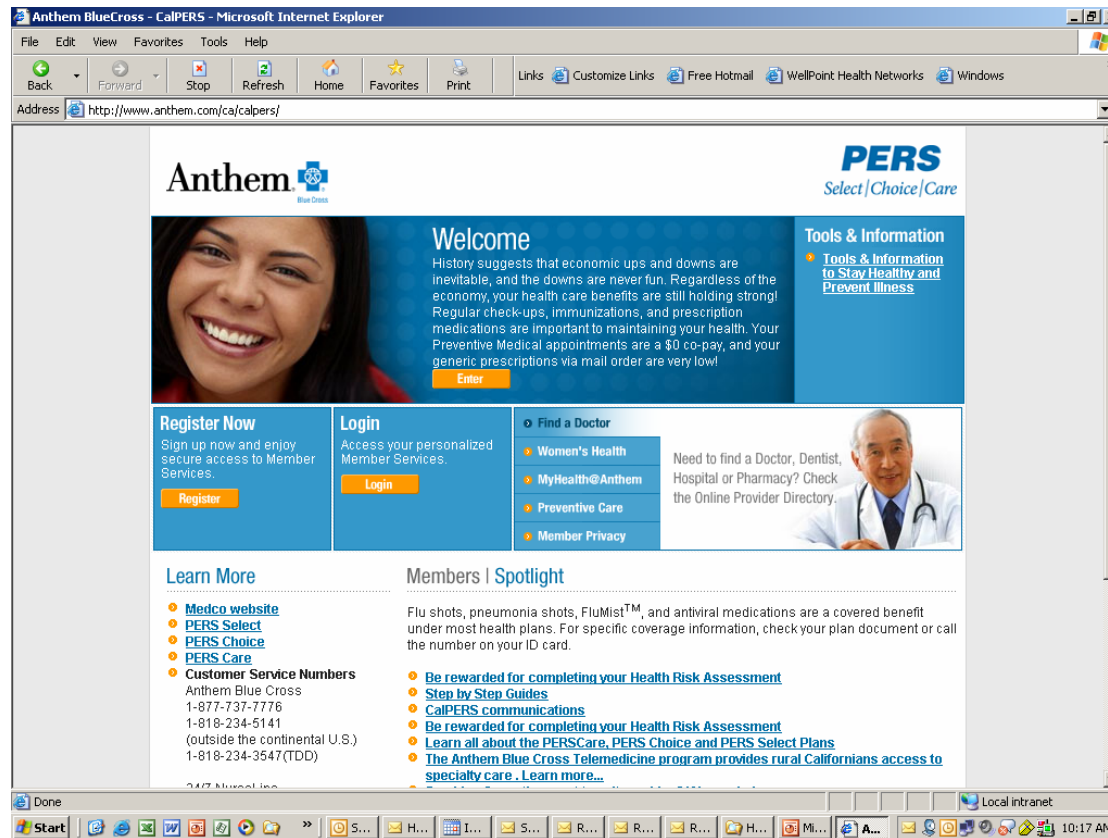
Example: How Copays and Deductibles are Applied (cont.)

Assumptions: Adult PERS Choice member using Par Providers and deductible has not been met.

Date of Service	Service Performed	Total Negotiated Charge	Member's Cost
April 10	Outpatient knee surgery; surgeon's charge	\$1,500	\$300 (20% responsibility)
April 10	Ambulatory Surgical Center Charge	\$2,500	\$500 (20% responsibility)
May 30	Emergency triple by-pass surgery	\$60,000 Professional & hospital charges combined	\$2,040 (20% responsibility up to \$3,000; plan pays balance)
December	Annual Physical	-----	No Charge

How do I identify PPO participating providers?

1. Visit www.anthem.com/ca/calpers
2. Click “Find a Doctor” link on home page and follow the prompts.



What wellness resources do the PPO plans offer?

- MyHealth@Anthem – Find the information, tips and tools you need to help you take control of your health, and make smart health care decisions.
- MyHealth Assessment
 - Designed to measure your health.
 - You'll receive a personalized report that will help you identify health risks and find ways to tackle them.
- Health Resources
 - Health Trackers
 - Healthy Recipes
 - The Last Cigarette (TLC)
 - Special Offers