

RBP VS PPO FAQ'S



What is Reference-Based Pricing (RBP)?

Reference-Based Pricing (RBP) is a reimbursement method that uses Medicare reimbursement rates (or a derived equivalent) as a reference, and prices claims based on a multiple of that rate. RBP is an alternative to traditional healthcare pricing where reimbursement rates for medical services are based on a specific reference point rather than on a provider's billed charge, which can vary greatly, even within a defined geographic area.

What is a Preferred Provider Organization (PPO)?

A Preferred Provider Organization (PPO) is a type of medical plan in which coverage is provided to participants through a network of selected health care providers, such as hospitals and physicians. Enrollees may seek care outside the network but pay a greater percentage of the cost of coverage than within the network.

If my client is currently enrolled in an RBP can they switch to a PPO?

Normally, no. In extremely rare situations, we do make exceptions for those individual living in regions that are not seen as "favorable" geographies for RBP.

Is it a good idea for my client to terminate their plan so they can switch to RBP/PPO?

Generally, it is not a good idea for a client to terminate mid-plan year and switch. As a member uses their plan, they start to work towards their annual deductible. If they were to switch mid plan year, they would have to restart their annual deductible. The best time for members to make plan changes are during open enrollment.

When will my new plan be active?

For prospective members looking to come on to a plan, all enrollees who are approved prior to the 23rd of the month will be effective the first of the following month. A prospective member may enroll up to 60 days prior to the actual start date.

For more information email us at support@americaschoicehealthplan.com