

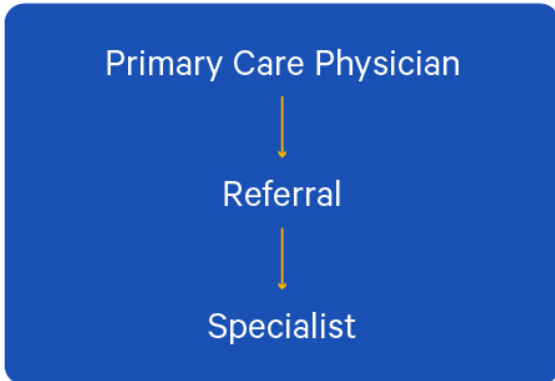
PPO Reference Binder

- **What is PPO?**
 - Stands for Preferred Provider Organization
 - Made up of a large network of healthcare providers (called preferred providers or in-network providers) that charge a certain price (typically lower than their normal price) for their services for plan participants
 - Patients are best covered under the PPO plan if they see a provider within the PPO network, but the PPO network is generally large. If participants see a provider out-of-network, participants tend to pay a higher cost.
 - Can either be a public or private entity
- **Key points of PPO**
 - Do not need to select a primary care physician and do not need a referral to see a specialist.
 - Somewhat covered if you leave PPO network, but staying within PPO network is still cheaper.
 - Usually higher premiums, deductibles, copays, and co-insurances in exchange for greater flexibility and more patient autonomy.
 - You are more covered when you are away from home compared to a HMO.
 - Can require more documentation, since seeing a provider out-of-network requires the participant to file a claim.
 - Can have 2 out-of-pocket maximums:
 - one for just in-network
 - one for both in-network and out-of-network combined (often higher)
 - Because PPO benefits can vary, make sure to read the summary of benefits and coverage (SBC) when choosing a health plan.
- **Main types of PPO**
 - local PPO: covers a small area like a county
 - 2,000 to 5,000 providers
 - regional PPO: covers a larger area like a state or multi-state
 - ~16,000 providers

HMO



In-network only



Cheap premiums (\$)

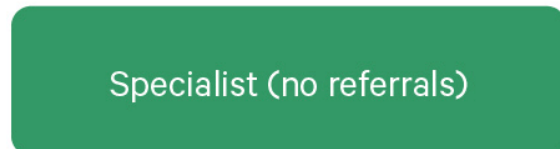
PPO



In- **OR** out-of-network



OR



Expensive premiums (\$\$)

- **Advantages of PPO**

- More flexibility: Participants have more autonomy over their own care, like they don't need to select primary care physician
- Larger Network: PPOs have large networks and even out-of-network care may be partially covered. This is especially great for participants who travel a lot, since they may not be able to be in-network all the time.
- Faster treatment: Participants don't need to be referred by a primary care physician to see a specialist, so they can receive faster treatment. Also, participants have more doctors to choose from so they may get faster appointments.

- **Disadvantages of PPO**

- More complicated billing: If a participant goes out-of-network, it is their responsibility to file a claim with the insurance.
- Higher costs: PPOs tend to cost more, in exchange for the greater flexibility they give.
- More responsibility for the participant: Because the participant has more autonomy over their own care, they also have to be responsible and ensure they are getting the healthcare they need.

- **Examples of People who would want a PPO:**

- Someone with a chronic condition who needs to see many specialists

- Someone who travels a lot, so they need to be able to see a variety of medical professionals (in case they aren't at home)
- Someone who wants a specific treatment, such as IVF, where an HMO may lack providers in that area
- **Examples of PPOs in California**
 - aetna
 - anthem blue cross
 - blue shield
 - cigna
 - health net life
 - united HealthCare
- **Sources**
 - <https://www.investopedia.com/terms/p/preferred-provider-organization.asp>
 - <http://www.insurance.ca.gov/01-consumers/110-health/10-basics/types.cfm>
 - <https://www.65incorporated.com/topics/medicare-advantage/what-ppo-plan/>
 - <https://www.helpadvisor.com/medicare/ppo-plans>
 - <https://www.goodrx.com/insurance/health-insurance/ppo-insurance-benefits-pros-cons>