

Checkpoint: Features of Health Plans

Describe the similarities and differences among the major types of health plans. Do you believe any one plan offers greater financial or coverage benefits to either a consumer or a provider? Explain your answers.

Preferred Provider Organization (PPO) associates who have this type insurance plan may use any doctors or hospitals they choose. However if they use a doctor or hospital that is on the list that has been approved the charges will be less. A PPO insurance plan does not require a primary care physician to oversee the patients' care; however a payment of a premium and often of a co-payment for visits is required at the time of service. There is no need for a referral when a patient needs to see a specialist as with the Health Maintenance Organization (HMO). Although, the co-payments are higher than the HMO and Point-of-Service (POS) providers, with the HMO associates and patients that have this plan pay a fixed premium for coverage and use HMO approved hospitals and doctors. Point-of-Service use doctors and hospitals on a list that has been approved but the insurance will also pay outside the network if the patient is willing to pay extra.

Traditional Indemnity insurance plan require that the associates are billed and then reimbursed for all services or part of services performed. However the patient may have deductible to pay and coverage may be limited to certain amounts. Consumer-Driven Health Plan (CDH) is somewhat similar to the PPO plan, the Patients pay for medical costs up to a high deductible before eligibility. I believe the Preferred Provider Organization (PPO) insurance plan provide the consumer with better financial a coverage benefits. The patient or associate that has this plan has the choice to choose what Physician or hospital they would rather use and is more comfortable with. This is a great advantage for the patient rather than to have a doctor that has practically been chosen for them.