

CARRIER TYPES & OPTIONS

TYPE	BENEFITS	NETWORK	CLAIMS	DEDUCTIBLE	CO-PAYS/ CO-INSURANCE	REFERRALS	ADVANTAGE
Preferred Provider Organization (PPO)	Comprehensive, Preventive, Wellness and Maternity Care	Contracts with providers to form network. Benefits are higher when in network providers are used, but can go out of network for care.	In-network: Filed for you. Out-of-network: You may have to file.	Yes	Yes	No	Freedom to choose your providers.
Health Maintenance Organization (HMO)	Emphasizes preventive care and wellness programs.	Must use network providers to receive coverage, except in emergencies. Typically must select a primary care physician.	Filed for you.	No	Yes	Usually	No Deductible
Preferred Only Product (POP)	Affordable	Must use network providers to receive coverage, except in emergencies.	Filed for you.	No	Yes	No	No Referrals No Deductible
Point Of Service (POS)	Freedom of choice	Benefits are higher when in network providers are used, but can go out of network for care. May require selecting a primary care physician.	In-network: Filed for you. Out-of-network: You may have to file.	Yes	Yes	Yes, when receiving care out of network.	Receive certain out of network benefits.
Consumer Driven Health Plans (CDHP)	Provides catastrophic coverage with a high deductible.	In and Out-of Network benefits available.	In-network: filed for you. Out-of-Network: You may need to file.	Yes – members must meet certain up-front costs and deductible before benefits begin.	Yes	No	An employer funded medical account may be used to pay up-front costs.
High Deductible Health Plan (HDHP)	Features higher annual deductibles and annual out-of-pocket limits.	In and Out-of –Network benefits available.	In-network: filed for you. Out-of-network: You may need to file.	Yes – non-preventive medical care requires a deductible.	Yes	No	Preventive care is often covered in full.
Health Savings Account (HSA)	Tax free withdrawals for qualified medical expenses.	NA	NA	NA	NA	NA	Portability – the account is member-owned and yours to keep.
Health Reimbursement Account (HRA)	Carryover of unused credits from year to year.	NA	NA	NA	NA	NA	Tax-free withdrawals for qualified medical expenses.

FINANCIAL ACCOUNT OWNED BY EMPLOYEE

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Health Plan Options information provided by:



Understanding Your Federal Health Plan Options . . .

What is a PPO? HMO? POP? POS? CDHP? HDHP? HSA? HRA?



The Federal Employee Health Benefits Plan offers several different types of plans:

Preferred Provider Organization (PPO):

- A PPO plan contracts with doctors, hospitals and other types of health care providers to form a network, and provides a higher level of benefits if you use those network providers.
- You don't need to choose a primary care physician to receive care.
- Network providers will usually file claims and precertify care for you.
- If you go to a non-network providers, for any reason, your portion of the cost will be greater; and, you may have to file claims and precertify care yourself.
- A PPO plan does not have a "service area." All covered services rendered by a covered provider are paid at the preferred or non-preferred benefit level.
- Members generally have to satisfy a deductible, coinsurance or copay before the plan starts paying for certain benefits.

Health Maintenance Organization (HMO):

- An HMO emphasizes preventive care and wellness programs, in addition to covering illness and injury.
- To receive coverage you must use network providers, except in emergencies.
- Most plans require you to go through a primary care physician to obtain health care services.
- Many HMO plans have no deductibles or coinsurance and require only copays ranging from \$10 to \$50, depending on the plan and type of service.
- Members must live or work within the geographic area known as the "service area" to enroll.
- Some HMOs allow open access, meaning no referrals are required, but members must use network providers.

Preferred-Only Product (POP):

- A Preferred-Only Product has office visit co-payments and no deductibles.
- Preferred-Only Products require that you use doctors, hospitals and other health care providers that are in the plan's network, but no referrals are necessary.
- A Preferred-Only Product has no out-of-network benefits. You must use preferred providers to get benefits except in emergencies.

Point-of-Service (POS):

- A POS plan is similar to an HMO plan, but it allows you to receive coverage for certain care outside the network.
- Care received outside the network usually costs more, and you may have to pay deductibles, file claims and precertify care yourself.
- A POS plan, like an HMO plan, may require that you use a primary care physician to coordinate care when network providers are used.

Consumer Driven Health Plans (CDHP):

- CDHPs provide catastrophic coverage with a high deductible.
- Members are responsible for certain up-front medical costs.
- An employer-funded medical account may be used to pay these up-front costs.

High Deductible Health Plan (HDHP):

- High Deductible Health Plans are a type of Consumer Driven Health Plan.
- HDHPs feature higher annual deductibles and annual out-of-pocket limits than other insurance plans.
- Preventive care is often covered in full, usually with no or only a small deductible or copay.
- For non-preventive medical care, you must meet the plan deductible before the health plan pays benefits.

Health Savings Account (HSA):

- Tax-deductible deposits you make to the HSA.
- Tax-deferred interest earned on the account.
- Tax-free withdrawals for qualified medical expenses.
- Carryover of unused funds and interest from year to year.
- Portability; the account is owned by you and is yours to keep – even when you retire.

Health Reimbursement Arrangement (HRA):

- Tax-free withdrawals for qualified medical expenses.
- Carryover of unused credits from year to year.
- Credits in an HRA do not earn interest.
- Credits in the HRA are forfeited if you leave federal employment or switch health insurance plans.

The U.S. Office of Personnel Management (OPM), Office of Insurance Programs, administers the Federal Employees Health Benefits Program (FEHBP), the largest health insurance program in the world. OPM contracts with and monitors health plans that pay claims or provide care to covered members.

Every year during the open enrollment period, known as Open Season, all employees eligible to participate in FEHBP have an opportunity to change or enroll in a health care plan. The decisions made during this period will determine out-of-pocket cost and how health care is accessed. Choosing a plan that best meets the health care needs of you and your family will give you peace of mind in knowing what to expect when health care is needed and provided.

The objective of the pamphlet is to give you basic information that will assist you in understanding the different types of plans participating in FEHBP. This pamphlet will help you understand Preferred Provider Organizations (PPOs), Health Maintenance Organizations (HMOs), Preferred-Only Products (POP) Point-of-Service products (POS), Consumer Driven Health Plans (CDHP), High Deductible Health Plan (HDHP), and Health Reimbursement Arrangement (HRA).