



Provider Freedom Frequently Asked Questions

Will my doctor or hospital accept Provider Freedom?

There is no network with Provider Freedom. You are free to use the services of any provider. Just present your ID card at the beginning of your visit as you would any other benefit coverage card. There is a number on the card your provider can call to verify benefits and coverage.

How does Provider Freedom work?

Allied contracts with a vendor that determines a fair and reasonable reimbursement rate for every bill received. Using data from peer group hospitals in the same geographic region, an average cost for the services provided is determined. This cost is then marked up 150% to cover overhead and profit. For physicians, the amount is based on a database of actual payments made to physicians. It reflects the amount they typically get paid, not the amount they typically bill. We believe that it is a more fair and reasonable form of "usual and customary" fee determination.

How do Allied's fair and reasonable fees compare to normal PPO fees?

There is no such thing as a normal Preferred Provider Organization (PPO) fee or discount. Every hospital has a unique fee or discount schedule with every different PPO. Making it even more complicated is that every hospital has a unique fee schedule so knowing that you have a 35% discount off of the billed amount means nothing until one knows the billed amount. If two providers give a 50% discount, but one charges \$100,000 and another charges \$50,000, the same "discount" costs twice as much with one provider than the other. Welcome to the crazy and nontransparent world of medical charges. The one thing you do get from a PPO, regardless of what the discount prices is, the provider has agreed to accept that discounted price.

Will my local doctors and hospital accept Allied's fair and reasonable fees?

More than 92% of all benefit payments made under Provider Freedom are accepted by the provider without question. Providers call Allied on less than 8% of our payments and on at least half of those calls the provider is simply looking for information on our fee schedule and are satisfied with the answers. Less than 4% of the time the provider questions the fee amount and we enter into negotiations with them to reach a fee agreement. The vast majority of providers, doctors and hospitals alike, accept our payments as fair and reasonable. A small percentage will request a fee review and we willingly do that.

Will I have any problems making an appointment with my local providers if I have Provider Freedom?

Almost 100% of all provider appointments happen without a problem. On a very rare occasion, the provider needs more information than the ID card provides so that they can properly book the appointment. Not all providers are familiar with Allied National, and with no PPO name on the ID card, they don't know what they should collect from you at the time of service. Simply have them call Allied Client Services at 1-800-825-7531 and we'll go over the plan details with them. However, be aware that on rare occasions we do get providers unwilling to accept Provider Freedom and they ask the member to pay the entire bill at the time of service. Even after receiving a full explanation that this is a comprehensive major medical program, and the

basis of the fair a reasonable fee schedule, a small handful of providers have refused the program. While we believe this is an unreasonable position for the provider to take, it is their right to refuse any insurance program. If this does happen to you, please contact us immediately as we will take every step possible to resolve the problem. However, if the provider continues to reject the plan and require the member to pay up front, we suggest the member seek an alternative provider; however, the member may pay the provider up front and submit their bill to Allied for reimbursement.

Is a fee agreement reached 100% of the time? Will I ever be balanced billed?

We do everything we can to avoid balance bills based on discounts taken (obviously the member is responsible for their out-of-pocket expenses and non-covered services), but they will arise in two situations. First, the provider never calls us and simply sends a balance due bill to the member. Second, a very, very small percentage of providers feel they should get paid retail and will bill the member regardless of their conversation with us. Our pledge to our members is that we will resolve every balance bill they get as a result of a discount we've taken. We will do what is required to resolve that bill, even if it means the plan has to pay the provider's retail charge for services.

What do I do if I get balanced billed?

First, make sure you've paid your portion of the bill and that the balance is not for your copay, deductible or coinsurance amount. If in doubt about your portion of the bill, reference the Explanation of Benefits you received in the mail (which is also available online on the Self-Service Site) or contact Allied Client Services for assistance (1-800-825-7531). If the bill shows an amount due other than the portion for which you are responsible, immediately contact Client Services so that we can work with the provider to resolve the situation. While you are responsible for your share of the bill, you are not responsible for any portion of a disputed discount. If we settle with the provider for a higher amount it will not affect your out-of-pocket amount. Your share (copay, deductible or coinsurance) of a bill is always based on the fair and reasonable amount. If you have services not covered by the plan, you may be responsible for the entire amount (which also can happen with a PPO plan – the provider is not required to honor the PPO discount on non-covered services).

Can I end up paying a provider more under this plan than with a PPO plan?

Remember, even with a PPO plan there is no way to know in advance how much you're going to have to pay. Any bill from any one provider could be higher for the same service than from some other provider. That is still true under Provider Freedom. What we do know is that Provider Freedom discounts (after all settlements and negotiations) average more than 45% off of retail charges, which is a much better discount than the majority of the PPO networks we offer. In fact, plan prices for Provider Freedom are lower than most of our PPO plans for this reason. We know overall we're coming out ahead and we pass the savings on to the employer and member.

We do have a few top quality PPO networks with superior savings. When that's the case, we do recommend these PPO networks over Provider Freedom, but remember that using a PPO network comes with the loss of your ability to go to any provider and having to worry about being "out of network" and the penalties that apply for being out of network.