

Motion Picture Industry (MPI) Retiree Health Plan

COORDINATION OF BENEFITS (COB)

How does the new Retiree Coordination of Benefits calculation method work?

Your primary health insurance (e.g., Medicare) pays your claims first. Then, after you pay any applicable co-payments, MPI will pay the remaining balance up to MPI's Normal Benefit amount for that procedure or service (generally, 90% of the allowed rate for in-network services and 50% for out-of-network services).

How is this different than the method MPI used from August 2009 through December 2010?

The most significant difference is that in the pre-2011 COB calculation method, if the amount of MPI's Normal Benefit was less than what your primary health insurance plan paid on the claim then MPI would pay nothing. Effective January 1, 2011, however, once your primary health plan has paid on a claim, MPI will pay the remaining balance up to MPI's Normal Benefit amount.

Did anything else change as of January 1, 2011?

Yes. Co-payments for in-hospital professional visits were eliminated. When you are admitted to the hospital, physicians (specialists and attending) and other professionals may come to see you to check on your progress. In the past, there was a co-payment for these visits however, effective January 1, 2011 in-hospital visit co-payments have been eliminated.

What am I responsible for paying under this new calculation method?

You are responsible for paying any applicable co-payments and any remaining balance on a claim after your primary insurer and MPI have paid their portion.

Why would there be a remaining balance after my two insurance plans have paid on the claim?

Most insurance plans determine the amount they will "allow" on a particular procedure or service and then pay a percentage of that allowable rate. However, physicians charge what they believe to be a fair price for a particular procedure or service. If the charge is for an out-of-network provider and exceeds the amount allowed by your health plans, the provider may seek the additional balance from you.

Fortunately, Medicare and Blue Shield require their contracted physicians and facilities to accept the allowable rates of the respective plan as the total billed amount for procedures and services. This is good news for you if you stay "in-network" and if you use contracted physicians and facilities because, in most cases, it means that there will be little remaining balance for you to pay after you have made your applicable co-payment.

Do my co-payments count toward my annual out-of-pocket maximum?

No. MPI's Health Plans do not allow co-payments to be counted toward a Participant's annual out-of-pocket maximum.

When will I receive my check?

Following review of your January 1 through June 14, 2011 claims, MPI will determine if you are due a refund. In some circumstances, reviewed claims may not result in a refund. Refund checks may be mailed as early as August, but please understand that due to the number of recalculated claims, checks will be mailed in batches, so yours may arrive a few weeks before or after another similarly affected Retiree.