



Inside the PHCS *Network*



Table of Contents

1	PHCS Company Overview
2	PHCS Strength and Stability
3	Member Direction and Claims Administration
4	PHCS <i>Healthy Directions</i>
5	PHCS <i>Care Management</i>
6	Important PHCS Resources



PHCS Company Overview



PHCS Company Overview

- ▶ PHCS is the largest proprietary PPO Network in the country directly contracting with nearly 450,000 providers and over 4,000 facilities participating nationwide
- ▶ As part of this extensive Network, you will be a key player in delivering quality care to nearly 16 million health plan members who have access to the **PHCS Network** across the United States
- ▶ Our customers include Taft-Hartley funds, third-party administrators, managed care organizations, self-funded employers, government entities and insurance companies
- ▶ With headquarters in Waltham, Massachusetts and regional offices located throughout the country, PHCS creates and maintains strong business relationships with local medical communities to offer a single point of contact between you and our customers



PHCS Company Overview, *continued*

- ▶ Our seamless, national Network helps deliver standardization and customer service support from coast-to-coast
- ▶ We are the second largest independent care management company in the country
- ▶ PHCS is the first and only national PPO to earn four endorsements of quality from two independent, nationally recognized quality assurance organizations – the National Committee for Quality Assurance (NCQA) and URAC



Credentialing and
Recredentialing
August 2001



Utilization Management
May 2001



ACCREDITED
Health Network
October 2001



ACCREDITED
Health Utilization
Management
July 1993



PHCS Customers

- ▶ **Third party administrators (TPAs) is our largest customer group representing 32% of PHCS customers**
 - We qualify our TPA customers based on size, reputation and how well their business model and operations work with ours

- ▶ **Large employers make up approximately 3% of PHCS customers**
 - We typically contract with companies of 5,000 or more employees
 - National companies with multiple locations offer more opportunity for growth than regional companies

- ▶ **Taft-Hartley funds make up approximately 4% of our customers**
 - Our Taft-Hartley fund customers are qualified based on their size and national presence
 - Self-administered funds tend to work well with our existing business model and operations

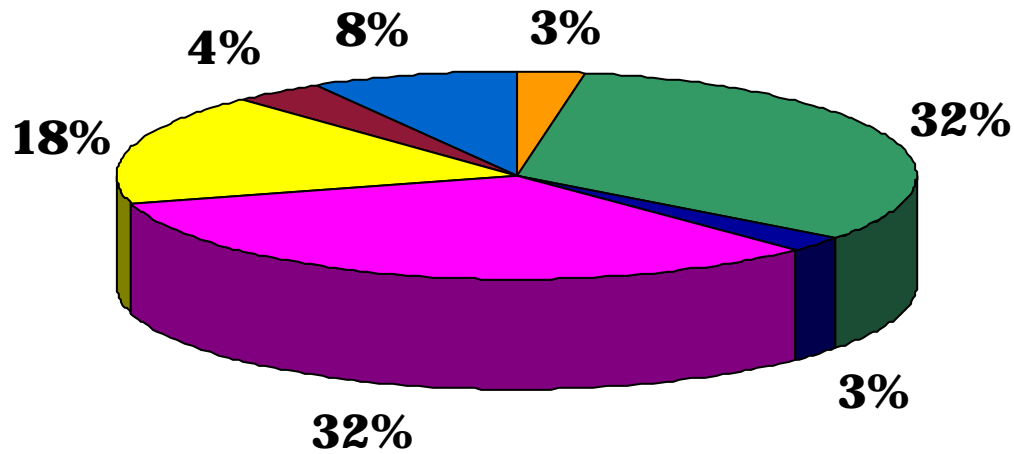


PHCS Customers, *continued*

- ▶ Insurance companies are our second largest group of customers comprising 32% of our overall customer base
 - As our most traditional customer type, insurance companies qualify to access our Network based on their size and reputation
- ▶ National managed care organizations make up 18% of our customer population
 - Membership criteria for our HMO customers ranges from 50,000 to 100,000 enrollees
 - Local HMOs use our Network to provide coverage to members who travel or attend school outside the plans' normal service area
- ▶ We also have a small number of other customer types including government entities, health savings cards, international and e-Health companies



PHCS Customers, continued



Employer	Insurance Company	Government
Third Party Administrators	Managed Care Organizations	Taft-Hartley Funds
Other*		

**Other includes companies such as Health Savings Cards, International and e-Health.*

Note: Numbers are based on monthly revenue figures as of November 2005.



PHCS Customers, *continued*

- ▶ Before finalizing a new customer relationship, we ensure the company can meet a rigorous set of guidelines, including
 - Guaranteed number of covered lives
 - Overall company size
 - Reputation and financial stability
- ▶ One of our most basic tenets is that all facilities and physicians participating in the **PHCS Network** provide care for all of our customers' members – providers may not choose the customers with which they do business
- ▶ We work closely with our Network providers and our payers to resolve any claim issues that may occur
- ▶ We do all we can to keep the relationship between our two most important constituencies – PHCS payers and providers – healthy and effective



PHCS Strength and Stability



Network Strength and Stability

- ▶ **PHCS is a seamless proprietary national Network**
 - Unlike many of our competitors, we do not quilt or rent from other networks
 - We maintain and negotiate direct relationships with our participating providers to minimize member disruption and overall Network quality
- ▶ **Incredible effort and energy are put into developing and maintaining direct relationships with our participating providers**
 - We have a team of more than 100 contractors across the US who live and work in their local medical communities
 - Maintaining these relationships helps us better understand the needs of our providers and the needs of our customers' members – your patients
- ▶ **We are well respected in the industry, with a strong reputation for our expertise in network management**



Working With the PHCS *Network*

- ▶ Participating in our Network allows providers to benefit from the direction of over 16 million health plan members who have access to the **PHCS *Network*** across the United States
- ▶ Network participation also means that providers will have access to a wide range of payers with which they would not normally contract
- ▶ PHCS customers choose to access our Network because
 - They do not have to use their own internal staff and resources to develop and maintain a provider network
 - They realize a significant ease of administration in managing their members' access to health care
 - They are less likely to go to the extra expense of developing their own provider network or the extra expense of contracting directly with providers at a higher rate



Working With the PHCS Network, *continued*

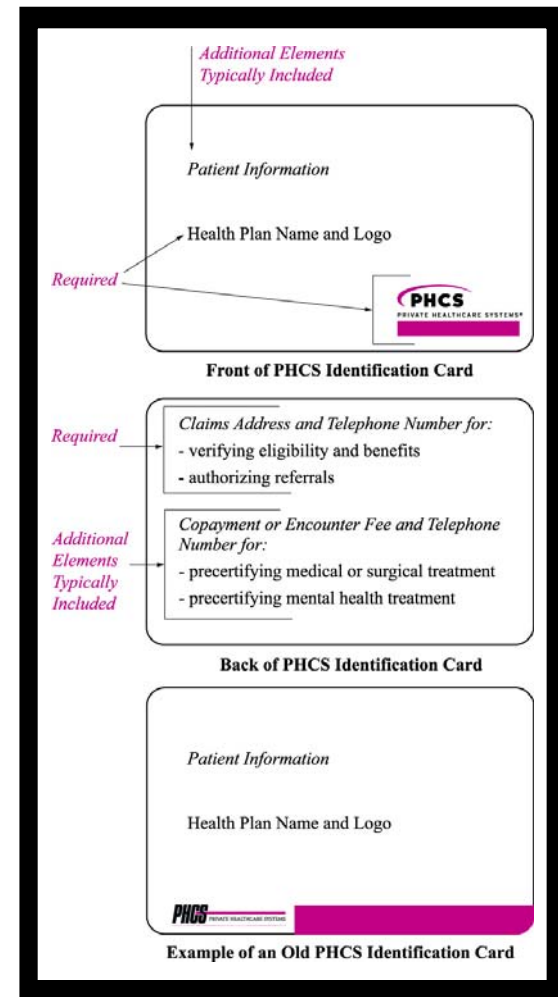
- ▶ We work closely with our customers to help them understand how to maximize the benefits of working with PHCS
- ▶ One way we do this is to recruit the types of providers they deem important in areas that are important to their members
- ▶ This dedicated emphasis on network development, coupled with our customer implementation process, helps us to maintain our advantage over smaller or regional networks



Member Direction and Claims Administration

Overall Member Direction

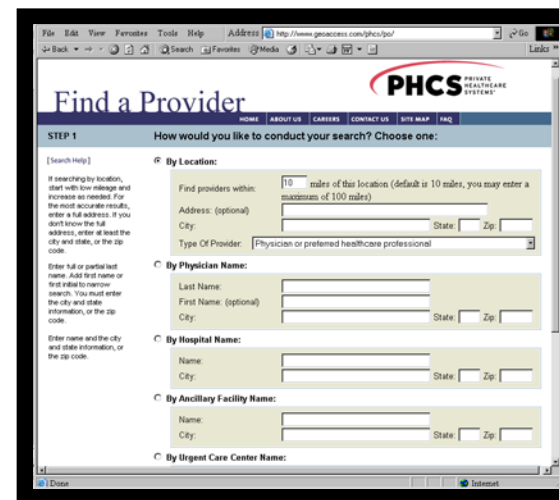
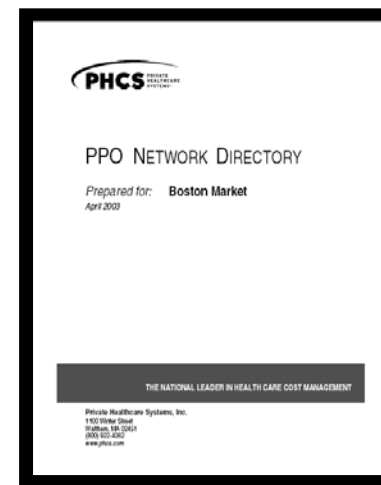
- ▶ All PHCS customers are assigned a PHCS Implementation Manager who walks them through an extensive implementation process before they begin to access our Network
- ▶ All customers are assigned a single point of contact and receive an implementation manual that helps them understand and comply with specifications for
 - Member identification cards including
 - ▶ PHCS logo or telephone number placement
 - ▶ Dedicated toll-free number for providers and members to call with questions



Overall Member Direction, *continued*

- ▶ We provide our customers with tools to ensure members have the best in-network direction, including
 - Standardized PHCS directories
 - State-of-the market online provider search
 - State-of-the art technology for more efficient, timely and accurate distribution and management of PHCS provider data

- ▶ We work with our customers to identify and recruit providers to meet their members' specific needs





Estimating Direction and Claims Volume

- ▶ We collect and process claims data for 13 of our larger customers and store this information in **PHCS e-valuator**
- ▶ The reporting functionality available through **PHCS e-valuator** allows us to estimate the patient volume at various providers throughout the country
 - Reports based upon approximately 40% of all covered lives accessing the **PHCS Network** are now captured in **PHCS e-valuator**
 - The tool currently houses nearly \$24 billion in billed charges and is updated periodically



With PHCS Claims Administration Is Easy

Claims Submission

- ▶ Claims should be submitted directly to our customers either electronically or by mail to the address on the patient's ID card
- ▶ All PHCS participating providers should submit usual charges for payment to our customers on a CMS 1500 or UB-92
- ▶ When submitting claims, providers should indicate that a "*signature is on file*" for assignment of benefits



Payment

- ▶ Payments received from PHCS payers will be accompanied by an explanation of benefits (EOB)
- ▶ The EOB will verify the amount to be billed to the patient, including co-insurance, deductibles and non-covered services
- ▶ PHCS payers remit the contracted amount as payment in full and therefore, patients should not be balanced billed



PHCS *Healthy Directions*



What Is **PHCS *Healthy Directions***?

- ▶ Some customers use our PPO Network to provide access to medical care for their members traveling or attending school outside of their health plan's service area – we call this **PHCS *Healthy Directions***
- ▶ **PHCS *Healthy Directions*** is also used by many of our large customers with members located in multiple states
- ▶ Unlike many of our competitors, we do not quilt or rent from other networks
- ▶ We maintain and negotiate direct relationships with our participating providers to ensure minimized member disruption and overall Network quality



How Does **PHCS *Healthy Directions*** Work?

- ▶ Customers offering **PHCS *Healthy Directions*** use one or more of the following to identify members accessing the **PHCS *Network*** – we are not a silent PPO and identify ourselves when directing members for any health plan
 - A health plan identification card that contains the PHCS logo or toll-free number on the card
 - An Explanation of Benefits (EOB) form that indicates the PHCS negotiated rate has been applied
 - PHCS directories and other supporting materials (distributed at annual or bi-annual enrollment meetings)



PHCS *Care Management*



PHCS Care Management

- ▶ **PHCS Care Management** directs members to the most appropriate setting and assists with overall discharge planning and case management
- ▶ Precertification is required for all **PHCS Care Management** inpatient admissions
- ▶ Precertification is required for all **PHCS Care Management** outpatient procedures in hospitals or surgical centers
- ▶ To verify member eligibility, call the toll-free number located on your patient's identification card
- ▶ **PHCS Care Management** services are fully accredited and certified by URAC and NCQA





Important PHCS Resources



Important PHCS Resources

- ▶ For information on benefits, eligibility or payments, please refer to the patient's identification card
- ▶ For information on **PHCS Care Management** or precertification (PPO) **800-225-5548**
- ▶ For information about PHCS or the **PHCS Network** call PHCS Member and Provider Service **800-950-7040**
- ▶ We promote our providers participating in the **PHCS Network** and update customers on new network developments in a bi-monthly customer newsletter called **PHCS Network Horizon**



Welcome to *www.phcs.com*

- ▶ The *Provider Access* section of our website contains information for existing and prospective providers including our Preferred Professional and Preferred Facility handbooks

