



What is Managed Care?



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Health care in America is changing rapidly. Twenty-five years ago, most people in the United States had indemnity insurance coverage, which meant a person could see any doctor and the insurance company and patient would share the cost.

But today, more than half of all Americans who have health insurance are enrolled in some kind of managed care plan, an organized way of both providing services and paying for them. Almost all plans today have ways of reducing the unnecessary use of health care while managing costs.

Health insurance plans are usually described as either indemnity or managed care. Indemnity and managed care plans differ in their basic approach. Put broadly, the major differences are related to choice of providers, out-of-pocket costs for covered services and how claims are paid. Managed care plans have agreements with certain doctors, hospitals and health care professionals to provide a range of services to plan members at a reduced cost.

Georgia Families

The Department of Community Health (DCH) has created a program to transition Medicaid and PeachCare for Kids members from a fee-for-service (FFS) arrangement to managed care. Georgia Families is a collaboration between DCH and a number of private care management organizations (CMOs), such as WellCare, to provide health care benefits to their Medicaid and PeachCare for Kids members.

The goal of the program is to provide members the same level of care in the most cost effective way possible. By working together, DCH and the CMOs can provide care for Medicaid members – including

PeachCare for Kids members – through a system of managed care plans, commonly known as Health Maintenance Organizations (HMOs).

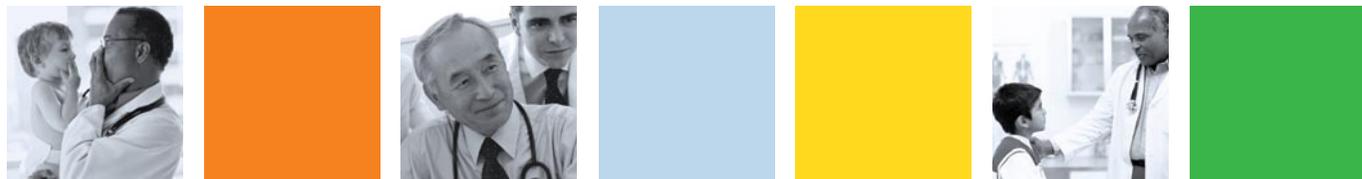
Managed Care (HMOs)

HMOs are the oldest form of managed care plans. These plans offer members a range of health benefits, including preventive care. With most HMOs, members pay a small fee or co-payment when services are rendered, whether it is for an office visit or a prescription. Through these new managed care plans, Georgia Families members will have access to the same services available through their current plan at the same cost with the added benefit of some new services. Because managing the health care of members also means managing their health and wellness, these new services include health education and prevention programs to help members lead healthier lives.

As the name implies, these plans focus on managing the care of members. In order to do that effectively, each plan member will select a Primary Care Physician who will oversee the care they receive through Georgia Families.

Primary Care Physicians

Primary Care Physicians, or PCPs as they are known, serve as a member's primary doctor, coordinating all of their health care from checkups to specialist referrals. They work in tandem with the member's health plan to ensure members receive the care they need.



Each member of Georgia Families will select or be assigned a PCP who is a participating provider of the CMO in which they choose to enroll. The CMOs will provide members with a list of doctors from which to choose a PCP (usually a family physician, internist or pediatrician) at the time of enrollment. Members are free to select any participating PCP.

Benefits of Managed Care

For providers, the benefits of managed care are numerous. CMOs work closely with participating providers managing such services as monthly membership lists denoting enrollees, referrals to specialists and other health care providers and claims for services rendered. With managed care, providers enjoy a more predictable and stable cash flow. The CMOs also educate members on plan benefits and how to access the appropriate level of care when they need it. Through health education and prevention programs, the CMOs strive to help members lead healthier lives.

For additional information on these and other topics, please refer to WellCare's Provider Handbook. This handbook should be used as a reference source as it describes requirements and processes for administering our plan as outlined in our provider agreement. For a copy, log on to <http://georgia.wellcare.com> or contact a Provider Relations Representative.

Source: "Guide to Managed Care," America's Health Insurance Plans, www.ahip.org.

