

# Free essay about health care delivery system in the united states (module 1, slp)...

[Economics](#), [Insurance](#)



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## **HMO Plan**

Currently I have an HMO health insurance coverage plan. HMO is an abbreviation of Health Maintenance Organization. An HMO offers managed care for healthcare insurance, self-funded health benefits plans, individuals, and other entities in US and closely operates with healthcare providers including hospitals and doctors on a prepaid basis. According to the Health Maintenance Organization Act of 1973 (as cited in Sautter, 2014, p. na), employers with 25 or more employees are required to provide federally certified HMO options if the employer deals with traditional healthcare plans. As reported in Obama Care Facts (n. d.), it is interesting to note that an HMO health coverage plan covers all expenses related to an illness and provides better preventive care services including check-ups and mammograms. Under HMO health insurance coverage, out-of-pocket costs are reduced for clients but this plan does not affect the payments made by insurers. As described in the PACER Center website (n. d.), this health insurance plan requires users to make co-payments (generally \$10-\$30) for each physician's visit (Types of). As compared to a conventional free-for-service plan, HMO plans are characterized with fewer out-of-pocket costs for users, such as co-

payments and deductibles (DIFS, n. d.). Generally HMO plans offer the highest level of coverage to beneficiaries. When individuals who have an HMO plan visit hospitals, doctors, and specialists in the network, they obtain 100% coverage. However, this health insurance coverage plan has some limitations, mainly in terms of choice of providers. Under this plan, users are required to choose a primary care physician who performs the role of a ‘gatekeeper’ to direct access to medical services. It is important to note that this is not the case always. Another limitation of HMO plans is related to the use of out-of-network providers. This health insurance plan does not offer coverage to clients if they receive health services from a doctor, hospital, or other providers outside its network. Doctors and hospitals in an HMO network may not necessarily stay in the network forever and this situation raises a set of challenges to users (DIFS, n. d.). However, it is to be noted that HMO plans cover emergency care services despite the provider’s contracted status.

### **Seeing a specialist**

It is the duty of the primary care physician to determine if a client is needed to visit a specialist for treating his/her illness under HMO plans. In other words, users of HMO plans need a referral from their primary care physicians to see a specialist. To illustrate, if an HMO plan holder experiences a skin rash, he would first go to his primary care physician for a primary examination. If the primary care physician is not able to treat the issue, he will provide the patient with a referral to a trusted dermatologist in the HMO network. However, women do not need to obtain a referral to see an OB/GYN

in their HMO network for routine care services like obstetrical care and Pap tests. AS stated in the BCBSM website, a referral given by the primary care physician is valid from 90 to 365 days. “ Referrals for three chronic conditions, oncology, rheumatology, and renal management, are issued for 365 days” (BCBSM, n. d.). The primary care physician will inform the client once his referral is approved or Blue Care Network will send the patient an e-mail notifying the approval of the referral. Once the patient receives the referral, his specialist can proceed with any medically necessary treatment until the expiry period of the referral. If the specialist refers the patient to another specialist, the client (patient) needs to obtain a new referral from his primary care physician to receive that particular care (BCBSM). If the patient does not strictly adhere to this procedure, he cannot enjoy the HMO health insurance coverage.

Being admitted to the hospital for elective surgery

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