

Managed care enrollment essay

[Business](#), [Company](#)



Abstract

Maternity care and cardiac care are two medical issues that cannot really be planned for. This is because one can go under labour or cardiac arrest at any time without expecting it. It is therefore important for one to insure themselves if they are pregnant or have heart problems just in case something goes wrong and they have to be rushed to hospital. When signing up for an insurance plan, however, one should always ensure that it is the best plan for them and will take care of them when the need arises. This essay will explore the issue of signing an exclusivity plan between ABC Insurance Company and Verde Greene Hospital, and whether or not signing that clause will be to the best interest of all involved parties.

The exclusivity clause legally binds ABC Insurance Company to provide the health care plan regarding maternity and cardiac care to Verde Greene Hospital only. This serves as a great disadvantage to ABC, since it cannot offer that plan to any other hospital [CITATION Geo07 I 2057]. It will therefore lose out on very many clients in the process. Since Verde Greene is not the only hospital within the 14 counties that provides maternity and cardiac care to its patients, the other hospitals will miss out on the plan. This could result in these other hospitals seeking the services of other insurance companies, which provide more flexible health care plans.

ABC Insurance should also try and modify the exclusivity clause so that it can provide other hospitals with the special plan, without sabotaging its contract with Verde Greene. This it can do by re-negotiating the terms of the plan with Verde Greene to avoid getting sued [CITATION Geo07 I 2057]. ABC can assure Verde Greene that signing the exclusivity clause might not be for the

best, as this could result in losses of lives as patients try to get to Verde, the only hospital with that specific health care plan. It should however assure Verde Greene that the contents of their contract will be confidential and will not be provided to other interested hospitals. However, if Verde Greene fails to agree, ABC can walk away before signing the contract.

Since the physicians at Verde Greene are not for the terms of the exclusivity clause, the management of the hospital should seek to re-negotiate the terms so that it retains its staff. The hospital can arrange for better terms in the clause with ABC, to ensure that the interests of its physicians and patients are put into consideration. If the doctors disenroll from the healthcare plan, it could bring many complications, something that is not good for the hospital. Doctors' opinions therefore need to be considered to ensure they do not feel unappreciated.

In addition to that, if Verde Greene signs the contract and a different insurance company comes to them with a better package than that provided by ABC, it cannot just terminate its contract with ABC without a penalty. Moreover, should a different insurance company get wind of the exclusivity clause between Verde and ABC; it could come up with a more attractive package and offer it to the other hospitals. Should the hospital's patients discover that other hospitals have a better health care plan, they could end up switching hospitals from Verde to the one most convenient to them and Verde would end up going at a loss.

When it comes to the employers, they should familiarise themselves with the implications of encouraging ABC to sign the contract. This is mainly because, although Verde is a good hospital and it provides affordable services, there

are other hospitals in the area which provide the same services [CITATION Pet07 I 2057]. Some of these hospitals may be more convenient for their workers more than Verde. The employers should therefore agree to pay for insurance cover for their employees, regardless of whether they receive treatment from Verde Greene, or any other hospital within the 14 counties. This serves to ensure that no employee fails to get emergency maternity or cardiac care, just because their cover only applies to Verde Greene Hospital. In addition to that, even if a competitor to ABC Insurance came up with a better insurance plan, it would be hard to change, since Verde has exclusive rights to cater for the health care plan. Furthermore, if a certain company sent a worker outside Atlanta on assignment and the employee went into labour, or under cardiac arrest, that would mean the employer would have to cover the total cost of treatment incurred [CITATION Pet07 I 2057]. What if the employee had to be airlifted to be taken to hospital and the nearest hospital was not Verde Greene? If they are not covered in that hospital, the costs could end up being very high. It would therefore be wiser for employers to avoid getting tied up in the exclusivity clause, as it could end up costing them even more.

Patients should be advised to choose the most convenient hospital to pay premiums to. If a patient is only covered in Verde Greene and they fall sick but cannot get to Verde Greene and are forced to use another hospital, they are forced to actually pay for their treatment at that other hospital, since the hospital does not have ABC's plan when it comes to maternity and cardiac treatments [CITATION Geo07 I 2057]. Moreover, a pregnant woman who has been paying insurance premiums with ABC, but on the due date cannot

get to Verde Greene could end incurring very high costs at a different hospital [CITATION Pet07 I 2057]. Therefore, before signing the health care plan, patients should ensure that Verde Greene is their most effective choice, or alternatively, they can sign up for a plan that will cover them no matter where they get their treatment.

Maternity and cardiac cases are emergency cases, and should therefore not be exclusive to a single hospital. What if the systems crashed in that hospital and the patients are not insured to be treated at another hospital? They would end up dying if they cannot afford to take care of the bill at that other hospital. ABC and Verde Greene should therefore evaluate all possible consequences before signing the contract, to ensure that all involved parties' needs are well taken care of, and the liabilities are worth signing the contract. However, if the two parties fail to agree on the best terms of the clause, ABC can always refuse to sign the contract.

References

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