

Your Choice—The Plan That Lets You Decide

Your Choice is a new plan option from Tufts Health Plan, developed as part of our on-going effort to provide cost-effective alternatives for employer groups. Your Choice groups hospitals and affiliated physicians into tiers, or levels, based on comprehensive cost and quality information and methodology that incorporates:

- ✓ Overall provider efficiency and management
- ✓ Overall provider quality
- ✓ An integrated approach to member health care

We have two Your Choice plan options. The three-tiered option will be available to Massachusetts employers beginning July 1, 2011. The two-tiered Your Choice plan option will be available to Massachusetts employers beginning September 1, 2011. Your Choice can be purchased as HMO, PPO, EPO, and POS plans.¹

Your Choice Offers Incentives for Cost-effective, Quality Care

Your Choice aligns incentives between Tufts Health Plan, providers and members to provide coverage for cost-effective, quality care. PCPs, hospitals and specialists are segmented into either two or three levels. Members have cost-sharing incentives to select efficient and quality providers that provide the best value.

How We Group Our Providers

Your Choice is a tiered network option, meaning we group hospitals and physicians at an organizational level—physicians in a group practice affiliated with a particular hospital are grouped on the same level. For example, if a physician is part of an Independent Practice Association (IPA) affiliated with Hospital A, then all of the physicians in that IPA will be on the same level as Hospital A.

We designed Your Choice this way because it mirrors typical referral patterns that are in common practice and provides a more holistic, integrated approach to health care.

It encourages PCPs to refer members to specialists in their referred circle, which means they will have the same tier, or level—members who choose a Level 1 PCP will more likely be referred for specialty care or hospital services within the same level.

We assign levels to our physicians and hospitals based on a combination of nationally accepted quality measures and measures of cost efficiency—contracted rates for each service and total medical expense, which encompass efficiency in managing a member's total care.

- ✓ Level 1 represents the most cost-efficient, quality providers, and offers members the lowest cost share. It includes access to a broad range of physician groups, community hospitals, and several tertiary hospitals.
- ✓ Level 2 represents quality providers that are not as cost-efficient as Level 1 and result in higher member cost sharing (for the two-tiered option, Level 2 will combine with Level 1 providers, offering members the lowest cost share).
- ✓ Level 3 represents providers that either do not meet the quality threshold and/or do not meet the threshold for cost efficiency and result in the highest member cost sharing (with the two-tiered option, Level 3 will become Level 2—the highest cost sharing level).

Tiered Provider Network: This plan includes the Tiered Provider Network called Your Choice. In this plan members may pay different levels of copayments, coinsurance, and/or deductibles depending on their plan design and the tier of the provider delivering a covered service or supply. This plan may make changes to a provider's benefit tier annually on January 1, beginning in 2013. Please consult the Your Choice provider directory or visit the provider search tool at tuftshealthplan.com and click on Find a Doctor to determine the tier of providers in the Your Choice Tiered Provider Network. If you need a paper copy of the provider directory, please contact Member Services.

continued on reverse

¹EPO and POS plans are available for self-insured clients only.

Tufts Health Plan was ranked America's #2 health plan* by the National Committee for Quality Assurance (NCQA).

*HMO and POS plans. NCQA's Health Insurance Plan Rankings 2010-11 – Private. Visit ncqa.org to see the list.

For more information, contact your sales office:

Watertown 800-208-8013 | Worcester 800-208-9545

Springfield 800-337-4447 | Providence 800-455-2012

TUFTS  Health Plan

tuftshealthplan.com

Certain Hospital Services Tiered

The Your Choice plan option tiers certain services rendered in a hospital setting, including:

- ✓ In-patient services and admissions
- ✓ High-tech imaging
- ✓ Day surgery
- ✓ Low-tech imaging/x-rays
- ✓ Diagnostic lab services
- ✓ Diagnostic testing

Since a member's PCP or specialist will refer for these hospital services, this plan option aligns a member's PCP, specialist, and hospital all within the same tier. Members are encouraged to select more cost-efficient PCPs and specialists affiliated with more cost-efficient hospitals.

Members will also be encouraged, via lower cost-sharing, to seek certain services in a non-hospital setting, including:

- ✓ Day surgery
- ✓ High-tech imaging
- ✓ Diagnostic lab services

Members who choose to have these services in the hospital setting will pay higher cost sharing than those who seek services outside the hospital in freestanding facilities.

Not All Services Will Be Tiered

Many members receive health care services from providers who are not physicians or nurse practitioners. With Your Choice these ancillary providers will not be tiered. These types of services include, but are not limited to, chiropractic, durable medical equipment, inpatient rehabilitation, skilled nursing, and services received at freestanding imaging facilities.

In addition, there may be some independent PCPs and specialists who are not tiered. These providers will be considered Level 1.

For More Information

Whichever plan design you prefer, we have a number of options available for you to choose from. Ask your broker today about the Your Choice plan option, or call your Account Manager for more information.

Tiering Methodology

Providers must meet Tufts Health Plan's quality threshold for physicians and hospitals in order to qualify for the lower cost tiers. Once the quality threshold has been met, Tufts Health Plan evaluates cost as described below.

All of the hospitals in the Tufts Health Plan network meet our quality standards. As part of our NCQA accreditation and our own quality initiatives, we are committed to contracting with a network of high performing hospitals. Keep in mind that there are many ways to measure quality. The combination of industry metrics, including Joint Commission and Leapfrog measures, that we have selected is just one of many ways to look at quality and does not guarantee a particular outcome at a certain hospital. The quality of the network hospitals is reviewed periodically through the recredentialing process and quality assurance programs. Tiering will be updated on an annual basis to reflect changes in hospital quality or cost based on the measures that we use.

1. Quality Threshold.

For integrated systems, the quality score is applied to the system as a whole. For providers that are not part of an integrated system, quality scores are applied at the provider organization or facility level as applicable. Providers that do not meet the quality threshold are placed into Tier 3 (highest cost-sharing level).

2. Cost Threshold.

Tufts Health Plan calculates a provider's case-mix adjusted unit cost and severity-adjusted total medical expense relative to the Tufts Health Plan network average. Cost scores are attributed at the integrated system or contract entity level as applicable. These aggregated scores are then compared with the Tufts Health Plan network average for unit cost and total medical expense for tier placement.

3. Tier Placement.

Providers that meet the quality threshold and also meet both the unit cost and total medical expense thresholds are placed into Tier 1 (the lowest member cost-sharing level). Providers that meet the quality threshold and meet only one of the two cost thresholds are placed into Tier 2 (the intermediate member cost-sharing level). Providers that do not meet the quality threshold or do not meet either the unit cost or total medical expense threshold are placed into Tier 3 (the highest member cost-sharing level).

There are some exceptions to the tiering placement methodology, particularly for those providers that see a smaller number of members on average per month. These providers are tiered on cost alone. Also providers with higher unit costs that meet a certain threshold are placed in Tier 3, the highest cost tier. And, some providers that have a risk-based reimbursement contract with us are placed in a lower tier if they meet certain medical expense targets.

Tiering placement will be updated annually; however, Tufts Health Plan reserves the right to re-assess providers that experience significant changes in quality, unit cost, or total medical expenses. Also, since final guidance has not been provided by the Massachusetts Division of Insurance in respect to the development of tiered network plans, we may need to alter the methodology and/or source data in order to comply with applicable regulations.