PacifiCare PPO Contract -- Latest Update

PacifiCare/United recently chose to RENEW their SCCIPA PPO contract for 6 more months beginning June 1, which they have the right to do without negotiation.

Over the past few weeks, many physicians received letters from PacifiCare/United stating the plan would not be renewing their SCCIPA PPO contract. For that reason, we understand a number of physicians did not send a PPO Opt-Out to SCCIPA.

• If you have NOT faxed an Opt-Out to SCCIPA, you will continue to be enrolled in this very low paying contract. You can still Opt-Out of the PacifiCare PPO contract by FAXing this form to remove your name from the SCCIPA group PPO agreement with PacifiCare.

• If you have already signed an Individual agreement with PacifiCare/United, you have accepted rates that are well below all other SCCIPA group agreements with contracting language that has not been reviewed by an informed healthcare attorney.

Since the Individual PPO agreement that some providers are signing will enable PacifiCare/United to underprice their PPO products relative to HMOs, you should not be surprised to see large numbers of patients switch to the PPO program during Open Enrollment.

Providers who sign an Individual agreement should also not be surprised to know they will receive no further rate increases from SCCIPA in coming years, and may, in fact, find their SCCIPA rates adjusted downward to the same level as the PPO agreement they just signed with PacifiCare.

Signing or not signing is the individual provider’s decision. However, providers who sign are setting a new benchmark for what they are willing to be paid, and other health plans will follow this lead.

It is unclear what United Healthcare intends to do regarding their PPO. The state regulatory process has forced dissolution of the United/Blue Shield PPO relationship as a contingency for approving the PacifiCare/United merger. Some physicians have been able to re-negotiate their PPO contract directly with United. If physicians sign a PacifiCare PPO agreement that allows United to roll existing patients into that contract, it will result in a significant reduction in payment for many of your current United patients.

It is incumbent on each physician to thoroughly review and understand the implications of contracts and rates before signing an Individual contract.

If you are one of the hundreds of physicians who replied previously to SCCIPAgrams regarding this contract, no further action is necessary to Opt-Out of the PacifiCare PPO agreement.

Providers who Opt-Out should advise their patients to look for SCCIPA HMO & PPO options during their next Open Enrollment.

TO TERMINATE YOUR PARTICIPATION IN PACIFICARE PPO
PRINT & SIGN BELOW -- FAX YOUR RESPONSE TO HA ON AT 1-866-422-5418

☐ Please terminate my participation in PacifiCare PPO.
   I understand this has NO effect on my PacifiCare HMO contract.

Name (PRINT) ____________________________________________

Phone ____________________________________________ Date ____________

Signature ____________________________________________

Please Share this FAX with Your Office Staff &/or Billing Service

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