



## **ClassicBlue Traditional (CBT) – Myths and Realities**

Many groups believe the CBT indemnity plan remains the “gold standard” of health insurance. However, its benefit structure and relative differences compared to PPO plans have continually changed to the point that differences are less pronounced, and considerably more advantages lie with the PPO plans.

### ***I can go wherever I want with CBT.***

Those Blues plans who have CBT-type programs sign on participants, just as the PPO plans do. Not all providers choose to participate, and there is an agreed-upon fee schedule, just as with the PPO plans. If an insured goes to a provider who participates with CBT, the plan will pay 100% of the established fee schedule for inpatient facility and professional services, and 80% of the established fee schedule for office visits. The remaining 20% for office visits, plus any differences between the fee schedule and a non-participating provider’s actual charges, are the responsibility of the insured.

A few states do not even have CBT networks, whereas all states have Blues PPO plans that include the vast majority of providers. Furthermore, the Blues PPO network extends around the world.

### ***There are more providers who accept CBT than the PPO plans.***

In fact, the negotiated rates paid by CBT are characterized as UCR (usual and customary rates) and do not vary more than a few percentage points from the PPO fee schedule. There is not a distinct advantage that would lead a provider to accept CBT, with its dwindling number of contract holders, and to refuse PPO insureds. There will always be some variations among local areas.

### ***More is covered under CBT than in a PPO plan.***

The reverse is actually true. Because PPO plans encourage preventive and screening services, many such services are covered by PPO plans but not by CBT plans, and others are covered with a lower participant share.

Please call the Pennsylvania Medical Society Insurance Agency at (866) 441-2392 with questions concerning plan benefits or any other insurance needs unique to physicians.