

**MEMO TO:** Health Care Plan Participants

**FROM:** Dale W. Cunningham  
Risk Management and Benefits Director

**DATE:** July 9, 2004

**IN RE:** Reasonable and Customary Payments for Services

This notice is to serve as a reminder of several important steps to help ensure maximum benefits under our health care plan. Our plan pays reasonable and customary charges for covered services, subject to applicable deductibles and co-payments. Reasonable and customary means the fee most commonly charged in a geographical area by other physicians and health care providers for the same service under comparable circumstances, as determined by the Claim Administrator. The employee is responsible for any charges over reasonable and customary amounts. To help avoid these charges, the following services are available from Mutual Medical.

#### Consumercare Program

This program lists the healthcare professionals who have agreed to accept Mutual Medical's determination of reasonable and customary as payment in full. You pay only the applicable deductible and co-payment if you receive covered services from one of those listed. For those who choose services from a professional not included in Consumercare, the following procedure should be used. Plan members may contact Matt Jones at Mutual Medical (674-0888) with questions on the Consumercare Program.

#### Pre-treatment Estimate for Service

You should obtain a pre-treatment estimate form for non-emergency surgery from Room 338-C. The form should be completed by the provider and reviewed by Mutual Medical. Mutual Medical will contact the provider in an effort to resolve any amounts over reasonable and customary prior to the service. If this cannot be accomplished with the provider, Mutual Medical will notify you of what to expect in excess charges beyond what the plan will allow. At this point, you have the ability to negotiate with the provider or seek care elsewhere.

The above-described procedures save money for our employees and our health care plan, helping make the continuation of quality benefits affordable. They also allow our employees' greater latitude in choosing service providers without the severe restrictions imposed by HMO's and other plans. Please feel free to contact me if you encounter any difficulties with these procedures.