

# PPO and HMO Key Differences

Both Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) insurance plans offer similar coverage, but there are some important differences. This chart is a generalized summary of the differences.

	HMO	PPO
<b>Do I need to designate a Primary Care Physician (PCP)?</b>	YES – With most HMO plans, all of your healthcare services will be coordinated between you and your designated PCP.	NO – A PPO plan does not require you to select a PCP.
<b>Does the plan use a network of providers?</b>	YES – For services to be covered, you must access care from the Kaiser Permanente Core Network and from Core Network Providers, except for emergency services and care pursuant to a pre-authorization. Search for providers at <a href="http://www.kp.org/wa">www.kp.org/wa</a> . Select the “Core” network.	YES – You can receive care from any doctor you choose, however you will save more money by choosing a doctor, specialist or hospital that is within the Regence Preferred network. You can use doctors, hospitals, and providers outside of the network for an additional cost. Search for providers at <a href="http://www.regence.com/preferredwashington">www.regence.com/preferredwashington</a> .
<b>Is a referral needed?</b>	YES – If you need specialized care, you will first schedule a visit with your PCP. Your doctor will then provide you with a referral for an in-network specialist.	NO – PPO plans do not require you to get a referral in order to see a specialist.
<b>How much will it cost?</b>	Lower Cost – HMO plans typically have lower monthly premiums and you can expect to pay less for out-of-pocket medical services.	Higher Cost – PPOs tend to have higher monthly premiums in exchange for the flexibility to choose providers both in- and out-of-network and without a referral. Out-of-pocket medical costs can also run higher with a PPO plan.
<b>Other considerations</b>	<ul style="list-style-type: none"> <li>○ Less flexibility</li> <li>○ If you are someone who doesn’t need a lot of specialist care or don’t mind having your care coordinated through a PCP, you may save money with an HMO plan.</li> <li>○ Affordable option for people who don’t usually need anything more than basic medical care like annual checkups or immunizations.</li> </ul>	<ul style="list-style-type: none"> <li>○ More flexibility</li> <li>○ Freedom to receive care from any provider.</li> <li>○ Good option if you want more control over your choices and don’t mind paying more for that ability.</li> </ul>