



Position Statement
on
Point Of Service
(Approved by the Board of Directors March 21, 1997:
Reviewed by the Board of Directors August 5, 2007)

The American Academy of Dermatology's *Statement on Health Care Reform* (September 1, 1993) emphasized that "all Americans should be free to choose their own physicians and should have health insurance coverage that best meets their needs." In keeping with this goal, the Academy endorses point-of-service (POS) as good public policy for managed care health plans. Point of service refers to the ability of a patient in a managed care plan to visit any out-of-network physician. It includes either an optional point of service or a mandatory (built-in) point-of-service provision.

The mandatory POS provision is automatically built into all managed care health plans. It requires that all covered individuals have the option to receive coverage for their health care from an out-of-network physician. Optional point-of-service is a separate plan that is offered to individuals at the time of enrollment. Individuals have the option to select this plan instead of a closed-panel managed care health plan.

Both scenarios allow patients improved access to the physicians of their choice by permitting them to seek out-of-network treatment and still be covered by the plan. However, the optional point-of-service plan provides the individual with an option and a choice to have access to out-of-network providers at reasonable costs. The mandatory or built-in POS provision automatically includes this access for everyone covered by managed health care plans.

In many managed care settings, patients seeking dermatologic care may not be able to easily see a dermatologist. The freedom to seek care out-of-network is important to patients with skin diseases since "studies have consistently shown that dermatologists provide cost-effective, better quality care for skin diseases than do other health professionals" (AAD Position Statement of Cost-Effective Dermatologic Care).

Therefore, the American Academy of Dermatology recommends:

1. That a point-of-service provision be made available to all individuals at the time of their initial enrollment, and at every opportunity for re-enrollment;
2. That any additional premium for POS coverage be reasonable and reflect the actuarial value of such coverage; and
3. That any additional co-insurance payment for out-of-network care be reasonable and not more than 20% higher than the in-network fee.