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Hospital, Coiner: Progress on PPO issue

Agreement would provide extra health insurance option for state workers

Blue Cross of Idaho and a group of Twin Falls doctors could work out an agreement in the next few weeks to bring the company's preferred provider organization plan to Twin Falls, those involved in the talks said over the last week. The PPO would broaden the local options for people on Blue Cross plans - including state employees, whose plans moved to Blue Cross in 2004. The most recent talks came after state Sen. [Chuck Coiner](#), R-Twin Falls, called in June for both parties to sort the issue out.

Doctors affiliated with St. Luke's Physicians Center have been negotiating with Blue Cross for more than four years for an acceptable PPO arrangement, and may be close to one after a recent series of meetings, said Debbie Kytle, St. Luke's Magic Valley executive director of physician services. The discussion at this point revolves around joint projects both groups could use to improve and reduce the cost of care, she said.

In June, Kytle said the lack of such projects was the main reason doctors were reluctant to contract with Blue Cross. "That's what we've been looking for, is really to partner with Blue Cross and not just have a contractual relationship," she said last week.

Blue Cross offers both traditional and PPO plans, the latter of which is meant to save state employees a bit of money. The PPO plan sports two deductibles, a low one for visiting in-network physicians and a higher one for out-of-network visits.

Previously, Coiner said he was concerned state employees in Twin Falls weren't benefiting from having the two options, and questioned whether Dr. Kurt Seppi - medical director and managing partner of the Physicians Center - was holding up the process. Seppi was re-elected in April as chairman of Regence BlueShield of Idaho's board of directors, and was appointed in August to the board of its parent company.

On Tuesday, Coiner said he's still not happy with either side, and that their patients and members had paid the cost for them being "irresponsible." But a Friday meeting with St. Luke's Health System CEO Ed Dahlberg and Blue Cross CEO Ray Flachbart went well, he said, and may also lead to a solution for a Blue Cross Medicare insurance product. that faces some of the same problems.

And his concerns about Seppi's involvement are no longer an issue. Seppi said last week that he has not been involved with the Blue Cross negotiations, and removed himself from the board of the Southern Idaho Health Cooperative - a local physicians' group - because of his ties with Regence. "We just want to do what we can for the community here," Seppi said, noting that local physicians and the hospital have now coordinated their insurance plans much better than in the past. He added that a false allegation such as Coiner's "doesn't do the process any good."

Stewart Johnson, Blue Cross public relations manager, declined to comment on the issue, saying only that the company doesn't discuss the specifics of any ongoing negotiation. In June, he said 93 percent of Magic Valley physicians participate in the company's traditional network, compared to 76 percent in the PPO plan.