

POLICY AND PROCEDURE

Policy No: 2016FIN013
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 Effective Date: August 2016



TITLE: SUBSCRIBER REFUND PROCESSING

Department:	Finance	Department Head: (Name and Signature)	Richard Lee
Approval Date:	8/2/2016	Next Review Date: (12 months from approval date)	7/31/2017
Compliance/Executive Approval:			
Name :	Devona J. Williams		Date: 08/03/16

APPLIES TO: MEDICAID CHIP/ CHIP P HEALTH INS OTHER MARKETPLACE

PURPOSE:

To document Community Health Choice, Inc.'s policy and procedure for identifying and processing subscriber refund payments.

POLICY:

Following the guidance of the Centers for Medicare and Medicaid Services (CMS) in the Health Insurance Marketplace, subscriber accounts are monitored for overpayments of premiums and maximum out of pocket payments (MOOP). Subscribers are due refunds for various reasons such as (listing is not all-inclusive):

- Voluntary Termination of account prior to effective date with payment received
- Billing correction
- Termination of policy with pre-payment
- Overpayment of premiums at the end of a policy year
- Retroactive termination of account through CMS

Support for the refund is forwarded to the Finance department for processing.

PROCEDURE:

Responsible Party (Who)	Step	Action Taken (Does What)
Finance	A	Finance utilizes the Marketplace Outstanding Refund Report to identify members with credit balances needing to be refunded. When a subscriber refund has been identified and supported, Finance completes the refund template for each subscriber refund. Supporting

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<u>Responsible Party (Who)</u>	<u>Step</u>	<u>Action Taken (Does What)</u>
		documentation includes subscriber information, plan details and an account reconciliation.
Finance	B	Reviewed refunds are listed on the bank transmittal form, totaled and counted. A Payment Form is prepared and then submitted for approval to the Controller. Finance submits the transmittal to the bank. Checks are processed and mailed from the bank. A listing of checks processed and mailed with check numbers are returned to Community from the bank.
Finance	C	Finance posts all refunds to Softheon documenting each account and including the refund check number for reference. All refund packets are scanned and the hard copies are shredded.

MONITORING:

Refunds are monitored at the time of payment and again monthly during financial closing procedures.

REPORTING:

<u>Name of Report</u>	<u>Frequency of Report</u>	<u>Owner</u>
Marketplace Outstanding Refund Report	Online report (readily available)	Finance

OTHER:

Members can request a refund through Member Services at any time. Member Services will submit the request to Finance for review. If a refund is determined, notification to Member Services will occur and the refund will be mailed directly to the subscriber. If a member has made an electronic payment in error, the member can request a refund directly back to their credit card within 180 of payment through Member Services or through the Member Portal.

ATTACHMENT(S):

None.