

## POLICY AND PROCEDURE

Policy No: 2019CLM003  
Page Number: 1 of 2  
Effective Date: February 2017  
Last Reviewed: June 2019



**TITLE: COORDINATION OF BENEFITS**

<b>Department:</b>	Operations - Claims	<b>Department Head:</b> (Name and Signature)	Mychelle Scott <i>Mychelle Scott</i>
<b>Approval Date:</b>	8/14/19	<b>Next Review Date:</b> (12 months from approval date)	August 2020
<b>Compliance/Executive Approval:</b>			
<b>Name :</b> <i>Aleora J. Williams</i>		<b>Date:</b> 8/14/19	

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

☒ BH ☒ STAR+PLUS ☒ D SNP ☐ MMP ☐ ALL

### PURPOSE:

The purpose of this policy and procedure is to comply with federal and state regulatory requirements with respect to identification and coordination of benefits for covered services provided to Community Health Choice (Community) Enrollees.

### POLICY:

Community administers benefits according to the Texas Insurance Code § 843.349 (e) and (f), and for Medicaid MCOs, chapter 42, section 433.139 of the Code of Federal Regulations(CFR) . Community is the payer of last resort when other insurance is in effect. When other primary insurance information is not identified, Community will pay all covered medical services. Upon notification that other primary insurance exists, Community shall employ all reasonable actions to pursue recovery of benefits paid as primary.

### DEFINITIONS:

**Cost Avoidance** means to avoid payment of claims when other insurance resources are available to the Enrollee.

**Coordination of Benefits (COB)** is when an Enrollee is covered by two or more health plans; benefits for these plans will be coordinated so that compensation does not exceed the maximum benefit.

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### PROCEDURE:

Upon receipt of a claim, review the member file for COB information:

<u>Responsible Party (Who)</u>	<u>Step</u>	<u>Action Taken (Does What)</u>
Claims Examiner or Adjuster	(A)	If no other primary insurance exist, adjudicate the claim.
	(B)	If other primary insurance exist, and no primary explanation of benefits from the carrier is attached, deny the claim requesting the Other Carrier's explanation of benefits.
	(C)	If other primary insurance exists, and a primary explanation of benefits from the carrier is attached, pay only the amount identified in the copayment, co-insurance, or deductible, not to exceed the contractual allowable.

### MONITORING:

Internal Claims Audit Process  
HMS Vendor

### REPORTING:

<u>Name of Report</u>	<u>Frequency of Report</u>	<u>Owner</u>
Random Audit Report	Monthly	Claims Management team

### ATTACHMENT(S):

None