POLICY AND PROCEDURE

Policy No: 2019CLM012
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Effective Date: February 2017
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COMMUNITY HEALTH CHOICE
COMMUNITY CARES.

TITLE: RETROACTIVE DENIALS

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

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

☒ BH   ☐ STAR+PLUS   ☐ D SNP   ☐ MMP   ☐ ALL

PURPOSE:

To comply with title 45CFR §156.270 (d) (1). of the Code of Federal Regulations (CFR). Community Health Choice will follow the defined timelines for members in grace periods as well as enrollment terminations for non-payment.

POLICY:

The purpose of this policy is to describe Community Health Choice's (Community) process for reconciling accounts due to retroactive termination of members' eligibility for non-payment of premiums.

All enrollments will be subject to the grace period and termination policy and procedures through system protocols in Softheon, as directed by Community.

For members who receive Advance Premium Tax Credits (APTC), Community will pay all claims during the first month of grace period. Claims submitted in the second and third month of a subscriber's grace period will be paid and recovered from the provider should the subscriber terminate for non-payment.

For members who do not receive Advance Premium Tax Credits (APTC), the grace period will span one month. If the subscriber's portion of premium payment is not received by the end of the month, coverage will be terminated retroactively to the paid through date.

DEFINITIONS:

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APTC – The Advanced Premium Tax Credit (APTC) is a federal subsidy available to individuals and families who earn less than 400% of the Federal Poverty Level (FPL). This subsidy helps to pay part of the member's health insurance premiums in order to make health insurance more affordable.

Non-APTC and Off-Exchange
The grace period begins after the first month of payment delinquency and extends until the end of the month. At the end of the month, the subscriber must have become current with the paid through date extended to end of the month. If not, the subscriber will terminate for non-payment retroactive to the paid through date.

Pended Claim: A claim that has been received by Community but cannot be processed (pay or deny) due to additional information is required. Community does not pend claims.

Retroactive Denial
A retroactive denial occurs when claims are paid during a member's grace period and the member fails to pay their premium within the required timeline to continue coverage. Should this occur, Community will terminate coverage effective the last day of the premium period for which premium was paid after grace period expires. The member may be held liable for the cost of services received during the grace period.

Community may pay all appropriate claims in the first month of the Grace Period, but may pend claims in the second and third months until the correct premium amount is paid. 45CFR §156.270 (d) (1).

To avoid retroactive denials, a member should pay premiums no later than 31 days of the premium due date.

PROCEDURE:

Responsible Party (Who)	Step	Action Taken (Does What)
Eligibility Department	A	Terminate member's coverage in the claim payment system.
System Automation	B	Payment will be automatically recouped from future payments to the provider in which the overpayments were made.

MONITORING:

The Refund and Recoupment team will monitor the Retro Termination reports to ensure all monies are recouped.

Reporting

Name of Report	Frequency of Report	Owner
Eligibility Terminated After Claims Paid Report	Weekly	Claims Refund and Recoupment Team

ATTACHMENTS: None