

How claims are processed in double-coverage scenarios



**Stephanie
Stewart**

Recently, we have received questions regarding how claims are processed when you have other health benefit coverage in addition to the NALC Health Benefit Plan (the Plan). Although the below does not cover all “other coverage” examples, it does highlight a few.

Keep in mind, you must tell us if you or a covered family member have coverage under any other health plan or have automobile insurance that pays health care expenses without regard to fault. This is called “double coverage.”

Double coverage

When you have double coverage, one plan normally pays its benefits in full as the primary payor and the other plan pays a reduced benefit as the secondary payor. Like other insurers, we determine which coverage is primary according to the National Association of Insurance Commissioners’ (NAIC) guidelines. For more information on NAIC rules regarding the coordination of benefits, visit our website at nalchbp.org.

High Option plus additional coverage (excluding Medicare)—When we are the primary payor, we will pay the benefits described in our brochure. If we are the secondary payor, we usually pay what is left after the primary plan pays, unless it is more than our regular benefit for each claim. We will not pay more than our brochure allowance.

Consumer Driven Health Plan and Value Option plus additional coverage (excluding Medicare)—When we are the primary payor, we will pay the benefits described in our brochure. If we are the secondary payor, we usually cover the difference between what we would have paid as the primary payor (our liability) and the primary carrier payment. When our liability is equal to, or less than, the primary carrier payment, you will receive no additional benefit.

Medicaid—When you have any of our plans and Medicaid, we pay first.

Medicare—You must tell us if you or a covered family member have Medicare coverage and let us obtain information about services denied or paid under Medicare if we ask.

You also must tell us about other coverage you or your covered family members may have, as this coverage might affect the primary/secondary status of this Plan and Medicare.

Double coverage under Original Medicare

When you are enrolled in Original Medicare along with our Plan, you still need to follow the rules in this brochure

for us to cover your care. For reference, please see the Primary Payor Chart on page 181 of the official 2019 brochure. Those rules include:

- When we are the primary payor, we process the claim first.
- When Original Medicare is the primary payor, Medicare processes your claim first.

In most cases, you will not need to file a claim form when you have both our Plan and the Original Medicare plan. Your claim will be coordinated automatically, and we will provide secondary benefits for covered charges.

High Option—We waive some out-of-pocket costs if the Original Medicare Plan is your primary payor.

If you have **Medicare Part A** as primary payor, we waive:

- The co-payment for a hospital admission.
- The co-insurance for a hospital admission.
- The deductible for inpatient care in a treatment facility.

If you have **Medicare Part B** as primary payor, we waive:

- The co-payments for office or outpatient visits.
- The co-payments for allergy injections.
- The co-insurance for services billed by physicians, other health care professionals, and facilities.
- All calendar-year deductibles.

Note: If you have Medicare Part B as primary payor, we do not waive the co-payments for mail-order drugs, or the co-insurance for retail prescription drugs.

Consumer Driven Health Plan and Value Option—When Original Medicare (either Medicare Part A or Medicare Part B) is the primary payor, we do not waive any out-of-pocket costs. As the secondary payor, we usually cover the difference between what we would have paid as the primary payor (our liability) and the Medicare payment. When our liability is equal to, or less than, the Medicare payment, you will receive no additional benefit.

Note: We do not waive our deductible, co-payments or co-insurance for prescription drugs or for services and supplies that Medicare does not cover.

You can get more information about Medicare by calling 800-633-4227 or at medicare.gov. Always rely on the Plan’s official brochure (RI 71-009) for complete information of the Plan’s benefits when Medicare is not paying for the service or supply.

Note: This is a summary of some of the features of the NALC Health Benefit Plan. Details on the benefits for the 2019 NALC Health Benefit Plan High Option can be found in the official brochure. All benefits are subject to the definitions, limitations and exclusions set forth in the official brochure.