

## Health Connector Policy: Premium Billing and Payments

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Policy #: **GME-11**

Date revised: **7/6/2017**

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Category: **Payment**

Effective date: **8/15/2017**

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Approved by: **Ed DeAngelo**

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### **Applicable to all Small Group products (Qualified Health Plan or QHP/Qualified Dental Plan or QDP)**

#### **Payee Entity**

Employer groups must pay monthly premiums for health coverage to the Health Connector directly.

#### **Initial Payment Process and Deadline**

The initial payment for a newly-enrolled Employer group must be received by the Health Connector (or its designated vendor(s)) no later than 5:00 PM Eastern on the twenty-third (23<sup>rd</sup>) calendar day of the month prior to the effective date of coverage.

#### **Ongoing Payment Process and Deadline**

Payment must be received by the Health Connector (or its designated vendor(s)) no later than 5:00 PM Eastern on the twenty-third (23<sup>rd</sup>) calendar day of the month prior to the coverage month. The monthly bill is for the next month's coverage.

#### **Payment Methods:**

Initial payment must be made via Electronic Funds Transfer (EFT) through the Health Connector's online payment portal or via the pay-by-phone system. Ongoing payments may be made by EFT, pay-by-phone, or by mail with check or money order.

The procedures for each payment method is as follows:

- Payment by Electronic Funds Transfer (EFT) using the Health Connector's secure online system or pay-by-phone system.
  - Provide the account number found on the first page of your invoice.
  - Provide correct bank account number and routing number.
  
- Payment via mail by check or money order.
  - Fill out check/money order completely and correctly.
  - Make check/money order payable to the Health Connector.
  - Include the detachable payment coupon located at the bottom of the bill.
  - If payment coupon is not available, legibly write the account number found on the first page of your invoice in the memo field.
  - Mail payment to the correct mailing address.

Payments will generally be processed and credited to employer group's account by 5:00 pm Eastern on the day of receipt, provided the payment was submitted in accordance with the procedure established by the Health Connector.

### **Improperly submitted payments**

If the Health Connector receives a payment that does not contain sufficient or correct information, the payment may not be applied or may be applied late to the employer group's account.

### **Applying partial payments**

If the Health Connector receives a payment that is less than the amount owed, it will be treated as a non-payment. Such non-payment may result in a failure to enroll a group in coverage, delinquency status, and terminations. See Policy GME-9A (Employer Group Termination for Non-Payment). A partial payment may result in:

- The suspension or denial of claims by the issuer for healthcare services rendered for enrollee(s); and/or
- Effectuating enrollment with a later effective date or not effectuating enrollment for enrolling individuals, families, employers or employees.

The Health Connector will apply the partial payment to the oldest outstanding balance on the account.

### **Late Payments**

An employer group must pay its monthly premium in full by the payment due date each month. A payment received after the payment due date is treated as non-payment for the purposes of effectuating enrollment, calculating delinquency status, and terminations for non-payment. See Policy SB-11A (Termination for Non-Payment). A late payment may result in:

- The suspension or denial of claims by the issuer for healthcare services rendered for enrollee(s); and/or
- Effectuating enrollment with a later effective date or not effectuating enrollment for individuals, families, employers or employees.

### **Refunds**

If an employer group has an active health or dental coverage, any overpayments on an employer's account will be automatically applied as a credit to the next month's regular invoice.

Refunds are available, upon request, only if the employer group satisfies one of the following two criteria:

1. Employer group's health or dental coverage is terminated, and:
  - a. The date of termination of the employer group's coverage is in the past;
  - b. All outstanding enrollment or termination transactions have been processed; and,

- c. At least five (5) business (bank operating) days must have passed after any payments were applied to the employer group's account.
2. Employer group's health or dental coverage is active, and:
  - a. Employer group has made a large overpayment that has resulted in a credit of at least four (4) times their regular total monthly premiums.

### **Charges and Fees**

The Health Connector is not responsible for fees charged by the enrollee's bank or financial institution resulting from payments. The Health Connector may, in its sole discretion, charge the employer group the fees that the Health Connector is charged by its bank or financial institution as a result of a returned payment, such as a payment with insufficient funds. In this case, the Health Connector will notify the employer group of such charges on the invoice generated in the billing cycle subsequent to the date payment was returned. The fee charged to the employer group shall not exceed the fee the Health Connector is charged by its bank or financial institution.