Clover

Clover Health Coordination of Benefits Reimbursement Policy

Policy # RP-013

Policy Title	Coordination of Benefits (COB) Reimbursement Policy
Policy Department	Payment Strategy and Operations
Effective Date	1/1/2022
Revision Date(s)	1/1/2022
Next Review Date	

Disclaimer:
Clover Health applies The Center for Medicare and Medicaid Services (CMS) criteria and guidelines, National Coverage Determinations (NCD), Local Coverage Determinations (LCD), Clover Policies, and MCG for determining medical necessity. Clover Policies are intended to provide a standard guideline but are not used to preempt providers' judgment in rendering services. Providers are expected to provide care based on best practices and use their medical judgment for appropriate care.

Description:

This policy covers instances when a member has reported to the CMS that they have other insurance as primary over their Medicare coverage, Clover may not be the responsible party for that member's claim liability.

Definitions:

- **Coordination of Benefits (COB)**
  - If a beneficiary has Medicare and other health insurance, Coordination of Benefits (COB) rules decide which entity pays first
- **Primary Payer**
  - Payers that have the primary responsibility for paying a member's claim
- **Secondary Payer**
  - Payers responsible for paying the primary payer's member responsibility (copay/coinsurance/deductible amount) or nothing depending on the primary payer's allowed amount
- **Medicare Advantage Prescription Drug System (MARx)**
  - A database maintained by CMS that provides member eligibility information

Policy:

When a Clover Health member has other coverage (auto, liability, medical, workers compensation, etc.) that policy may be primary over Medicare and therefore over Clover. Clover uses the Medicare Advantage Prescription Drug (MARx) system to view which primary insurance has been reported to Medicare. Any COB findings will be upheld by Clover unless Medicare is updated by the member and the MARx system reflects that update.

For Clover members, Clover remains the primary payer for beneficiaries who are not covered by other types of health or liability insurance. Clover is also the primary payer over other health or liability plans in certain instances, provided several conditions are met.

When it is determined that Clover should pay as the secondary payer, the primary payer's explanation of benefits (EOB) is required to properly determine the secondary liability in order to determine the Clover payable amount.

Medicare Secondary Payer (MSP) guidelines determine the proper order of benefits. Clover is considered by CMS to be the Secondary Payer in the below instances:

- Where the VA authorized services
- Where services are payable under Workman's Compensation, no-fault, or liability insurance, Clover does not make payment for otherwise covered items or services to the extent that payment has been made, or can reasonably be expected to be made
- Clover benefits are secondary to benefits payable under a Group Health Plan (GHP) for individuals eligible for or entitled to Medicare based on ESRD during a Medicare coordination period
- Clover benefits are secondary to benefits payable under a GHP for individuals age 65 or over who have GHP coverage as a result of their own current employment status or the current employment status of a spouse of any age
- Clover benefits are secondary to benefits provided by GHPs for certain disabled individuals under age 65 (entitled to Medicare on the basis of disability) who have coverage based on their own current employment status or the current employment status of a family member, e.g., a spouse or other family member of a disabled beneficiary
- Payment made by any of these primary payers can be used to satisfy unmet deductibles and the individual's coinsurance

For maintenance of benefits (MOB) or non-duplication plans, the COB allowable expense is our normal benefit. For standard plans, the COB allowable expense is the lesser of the primary plan's negotiated fee or the amount submitted to the primary carrier, subject to Reasonable and Customary limitations.

References
Medicare Secondary Payer
Coordination of Benefits
Medicare Secondary Payer Manual - Chapter 3