



<b>Policy Title</b>	Billed Charges Reimbursement Policy
<b>Policy Department</b>	Payment Strategy & Optimization
<b>Effective Date</b>	4/1/2022
<b>Revision Date(s)</b>	
<b>Next Review Date</b>	

**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 describes the payment calculation made when the amount billed on a claim is less than the CMS or Clover allowed amount.

- Definitions:**
- **Billed Charges**
    - The amount billed on an individual claim line

**Policy:**  
 When a provider submits a claim to Clover Health, payment for out of network providers is based on the Center for Medicare and Medicaid Services (CMS) allowed amount and claim edits.  
 When the billed amount for a claim line is less than the CMS allowed amount, pricing is based on lesser of methodology. Clover Health will price the claim to allow 100% of the provider billed amount if the billed amount is less than the CMS allowed amount.



For in network providers, payment will be made based on the contracted rate.

**References**

[MA Payment Guide for Out of Network Providers](#)