February 20, 2014

RE: Advanced Premium Tax Credit (APTC) Extended Grace Period Information

Dear Provider:

When a member purchases a Blue Cross of Idaho healthcare plan through an online exchange and receives an advanced premium tax credit (APTC), they receive federal funds to help decrease the overall cost of the health plan premium. Members receiving tax credits are entitled by law to a three-month grace period to pay outstanding premiums.

What is the 3-month premium grace period?
The Affordable Care Act states that individuals buying health insurance through an online exchange that also receive a tax credit (also called a subsidy), receive a three-month grace period to pay outstanding premiums. According to the law, insurers cannot dis-enroll members for non-payment of premiums during this grace period and must pay claims incurred during the first month. However, claims incurred during the second and third months of the grace period must be held in a pending status until the member pays the premium in full.

What this means to you?
While we hold claims incurred during the second or third month of a member’s grace period in a pending status until the member pays his or her premium, providers may collect the full customary charges for any services rendered to the member during the second or third month within the grace period.

When will claims be processed?
If a member pays the delinquent premium in full by the end of the grace period, we will process any pending claims in accordance with the terms of the member policy. If you collected for a charge at the time of service, you must refund the member any collected amounts beyond the member’s cost share within 30 days of receiving payment from Blue Cross of Idaho. Please note that if you do not provide a timely refund to the member, you could be in breach of your provider contract.

If the member does not pay their premium in full by the end of the grace period, we will deny any pending claims if the date of service is during the second and third month of the grace period and you may seek full reimbursement directly from the member for the services provided.
How will you know if a member is delinquent?
Blue Cross of Idaho will identify members with a delinquent status in two different ways:

- **PreService**
  Log on to Blue Cross of Idaho’s secure medical or dental provider portal from [bcidaho.com](http://bcidaho.com).
  - Select *Eligibility & Claims*
  - Select *BCI Member Search*
  - Search for a member. The *Status* column within the results at the bottom of the page will display *Delinquent* if the member is in the second or third month of delinquency; OR
  - After selecting *Search*, the member information will display and on the right side of the screen, the *Status* column within the results will display *Delinquent* if the member is in the second or third month of delinquency.

- **Post Service**
  - If a claim you submitted is pending, select the claim to get detailed information. You will receive a message of either “*This member is APTC premium delinquent Month 2*” or “*This member is APTC premium delinquent Month 3*” for Blue Cross of Idaho insured members.
  - If the member is a BlueCard member, you will receive the message “*This member is APTC premium delinquent Month 3*.” In addition, it will include the name of the member’s home plan and a phone number for eligibility questions.

If you have additional questions regarding member delinquency, please contact your provider relations representative, (PAP100, MAPAP102, DPAP100).

Thank you,

Blue Cross of Idaho