

UNDERSTANDING COORDINATION OF BENEFITS

What does coordination of benefits mean?

Coordination of benefits refers to how benefits are administered when you are covered by more than one health plan. It ensures that you get the most from your coverage, and also ensures that any healthcare services you receive are not paid for twice.

If you, your spouse, or your children are covered by a Rhode Island State Employees health plan with Blue Cross & Blue Shield of Rhode Island (BCBSRI) as well as another health plan (for example, your spouse's plan through work), you must follow the coordination of benefits rule.

How the coordination of benefits rule works

This rule helps determine which health plan will provide the primary benefits and which plan will provide the secondary benefits. Generally, the plan that covers you as a subscriber/member (your health plan through work, for instance) is the primary plan and pays first. The plan that covers you as a dependent (your spouse's health plan through work, for example) is secondary and pays second.

The primary plan provides benefits (healthcare services and reimbursement) according to your plan contract. The secondary plan will provide benefits; however, it may take into account any benefits you have already received through your primary plan. This avoids overpayment for healthcare services.

Healthcare plans in general will all follow these rules to decide which plan is a member's primary plan and which is secondary. BCBSRI follows the rules as adopted by Rhode Island regulations and the Centers for Medicare and Medicaid Services (CMS).

For your dependents, if the parents are married or living together, the general order for payment of benefits is the following:

Whichever parent's birthday comes earlier in the year (based on month and day) is considered the primary, so his/her plan would pay first.

If the parents are divorced, separated, or not living together, the order of payment is as follows:

- The custodial parent's plan is the primary.
- The custodial parent's spouse's plan is usually secondary.
- The non-custodial parent's plan pays last.

The only time these rules would not apply would be when different arrangements were stated in the divorce decree or when none of the above rules establishes primary/secondary plan responsibility—in that case, the plan that has been in force the longest would be considered the primary plan.

How coordination of benefits works when the RI State Employees benefits plans are secondary

If the State health plan is considered the secondary plan, the amount that will be paid for covered services will be determined as follows:

- BCBSRI determines the amount the State plan would have paid based on the allowable expense as per plan coverage guidelines.
- BCBSRI pays the entire difference between the allowable expense and the amount paid by the primary plan, as long as this amount is not more than the primary plan would have paid had it been the only plan involved.

You will be responsible for the copay, coinsurance, and deductible that are not covered as part of the coordination of benefits payment. In addition, coordination of benefits does not guarantee that all of the out-of-pocket expense will be covered, and the maximum combined payments received from both the primary and secondary plans cannot exceed 100 percent of the allowable expense.

Consult your Benefit Booklet for more information, including how the State plan coordinates when Medicare is the primary plan.

How coordination of benefits works for married State employees

If you and your spouse are both State employees and have dual family coverage under any State plan (Anchor, Anchor Plus, or Anchor Choice with HSA), you need to satisfy only one family deductible. This benefit will apply only if you meet the following criteria as well:

- You must both be enrolled in the exact same State health plan.
- You must both cover the exact same dependents under family coverage.

In addition, if you and your spouse are both enrolled in Anchor or Anchor Plus (NOT Anchor Choice with HSA) and cover the same dependents, all copays—including pharmacy—will be waived.

Your responsibilities regarding coordination of benefits

You must tell BCBSRI that you have other coverage, and you must cooperate with us in our administration of coordination of benefits with your other plan.

This would include agreeing to our right to receive and release information about benefits provided to you.

While you and/or your dependents may receive benefits under both the primary and secondary plans, you may still be required to pay any deductibles, copays, or coinsurance that apply.

Making the most of your benefits

Take a few minutes to connect with us and learn how to make the most of your health plan.

Register your account at myBCBSRI.com to learn more about your specific health plan benefits.

Text BCBSRI to 73529 to sign up for Your Blue Wire mobile messaging. We'll send occasional health reminders and plan updates to help you stay informed.

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