

PROVIDER Update



Health Net®

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Prohibition on Balance Billing and Billing Medicare-Medicaid Members for Medicare Cost-Sharing

As a reminder, balance billing is strictly prohibited by state and federal law and in accordance with the Health Net of Arizona, Inc. and Health Net Life Insurance Company (Health Net) *Provider Participation Agreement (PPA)*. Additionally, federal law does not allow providers to collect Medicare Parts A and B deductibles, coinsurance or copayments from members enrolled in the qualified Medicare beneficiaries (QMB) program, which exempts members from Medicare cost-sharing liability.

BALANCE BILLING

Balance billing occurs when a participating provider bills a member for fees and surcharges above and beyond a member's copayment and coinsurance responsibilities for services covered under the member's benefit program, or for claims for such services denied by Health Net or the affiliated participating provider. Participating providers are also prohibited from initiating or threatening to initiate a collection action against a member for nonpayment of a claim for covered services. Participating providers agree to accept Health Net's fee for these services as payment in full, except for applicable copayments, coinsurance or deductibles.

Participating providers may bill a member for non-covered services when the member is notified in advance that the services to be provided are not covered and the member, nonetheless, requests in writing that the services be rendered. A participating provider who exhibits a pattern and practice of billing members will be contacted by Health Net and is subject to disciplinary action.

BILLING MEDICARE-MEDICAID MEMBERS

As mentioned, providers are prohibited from collecting Medicare Parts A and B deductibles, coinsurance or copayments from members enrolled in the QMB program. Providers can either accept the Health Net payment as payment in full or bill the state for applicable Medicare cost-sharing for members who are eligible for both Medicare and Medicaid.

This prohibition applies to all MA providers, not only those that accept Medicaid. In addition, these balance billing restrictions apply regardless of whether the state Medicaid agency is liable to pay the full Medicare cost-sharing amounts.

HOLD HARMLESS PROVISION

In accordance with standards established by the Centers for Medicare & Medicaid Services (CMS), under the terms of the *PPA*, participating providers agree to hold the member harmless, and protect the member from incurring financial liabilities that are the legal obligation of a Medicare Advantage Organization (MAO) or its participating providers. In no event, including, but not limited to, nonpayment, termination, non-renewal, insolvency, or breach of an agreement by Health Net, may the provider or any intermediary bill, charge, collect a deposit from, or receive other compensation or

THIS UPDATE APPLIES TO ARIZONA PROVIDERS:

- Physicians
- Medical Groups/IPAs
- Hospitals
- Ancillary Providers

LINES OF BUSINESS:

- Advantage Platinum (HMO)
- Advantage Platinum (PPO, POS)
- Medicare Advantage (HMO)

PROVIDER SERVICES

az_internetproviderinquiries@healthnet.com
1-800-289-2818
www.healthnet.com

NATIONAL PROVIDER COMMUNICATIONS

provider.communications@healthnet.com
fax 1-800-937-6086

remuneration from a member. Participating providers cannot take any recourse against a member, or a person acting on behalf of a member, for services provided.

This provision does not prohibit the following:

- Collection of applicable coinsurance, deductibles or copayments, as specified in the member's *Evidence of Coverage (EOC)*.
- Collection of fees for non-covered services, provided that the member was informed in advance and in writing of the cost and elected to have non-covered services rendered.

ADDITIONAL INFORMATION

Providers are encouraged to access Health Net's provider portal online at provider.healthnet.com for real-time information, including eligibility verification, claims status, prior authorization status, plan summaries, and more.

If you have questions regarding the information contained in this update, contact the Health Net Provider Services Center by email at AZ_InternetProviderInquiries@healthnet.com, through the Health Net provider website at provider.healthnet.com, or by telephone at 1-800-289-2818.

Enroll for Electronic Payment and Remittance Options

Enroll for electronic remittance advice (ERA) and electronic funds transfer (EFT) to reduce administrative work and check-processing expenses, and expedite payment and remittance receipt. ERA requires you to also enroll with your clearinghouse. Enrollment forms for ERA and EFT are available online at provider.healthnet.com under *Working with Health Net > EDI > Transfer Funds Electronically*.