



Limited Benefit Health Plan

An affordable health care plan designed to provide uninsured people with access to basic medical care



Business Owner's  
Reference Manual  
2011

<b>Table of Contents .....</b>	<b>1</b>
<b>Introduction.....</b>	<b>3</b>
<b>This Manual is a Great Resource For You! .....</b>	<b>3</b>
<b>CoverTN Plan Overview .....</b>	<b>4</b>
<b>Advantages of PPO Plans .....</b>	<b>4</b>
<b>Members Choose Network V Providers .....</b>	<b>4</b>
<b>Eligibility Requirements.....</b>	<b>5</b>
<b>Eligible Employees of Participating Employers .....</b>	<b>5</b>
<b>Coverage Extended to Spouses .....</b>	<b>5</b>
<b>Coverage Options for Dependents.....</b>	<b>5</b>
<b>Enrolling in CoverTN .....</b>	<b>7</b>
30-day rule.....	7
Adding a spouse .....	7
Submitting enrollment forms early .....	7
<b>Administering the Initial Open Enrollment .....</b>	<b>7</b>
<b>Annual Open Enrollment.....</b>	<b>7</b>
<b>Administering the Annual Open Enrollment.....</b>	<b>8</b>
CoverTN enrollment/change forms.....	8
Scannable enrollment forms .....	8
<b>Coverage Portability .....</b>	<b>9</b>
<b>Effective Date Guidelines.....</b>	<b>9</b>
Effective dates .....	9
<b>Additional Coverage Options .....</b>	<b>10</b>
<b>CoverKids.....</b>	<b>10</b>
<b>HealthyTNBabies .....</b>	<b>10</b>
What’s covered under HealthyTNBabies? .....	10
How are members enrolled in HealthyTNBabies?.....	10

<b>Membership Identification Card</b> .....	11
<b>Premium Payment</b> .....	13
<b>Cost Sharing of Premiums</b> .....	13
“Employee of participating employer” eligibility category .....	13
“Self-employed individual” eligibility category .....	13
“Employee of non-participating employer” eligibility category.....	14
<b>Electronic Bank Draft</b> .....	14
Payment due dates .....	14
Delinquency notifications .....	14
<b>Billing Procedures</b> .....	16
<b>Statement of Account</b> .....	16
Account summary .....	16
Account detail .....	16
Miscellaneous billing items .....	16
Current member detail.....	16
Retroactive adjustments.....	16
<b>Account Summary Explanation</b> .....	16
<b>Account Detail Explanation</b> .....	17
<b>Miscellaneous Billing Items</b> .....	19
<b>Current Member Details Explanation</b> .....	20
<b>Retroactive Adjustment Explanation</b> .....	22
<b>Claims Filing Procedures</b> .....	24
<b>General Information</b> .....	24
<b>Claims Payment or Denial</b> .....	24
<b>Monthly Claims Statements</b> .....	24
<b>Explanation of Benefits</b> .....	24
<b>Grievance Procedure</b> .....	24
<b>Most Frequently Asked Claims and Benefit Questions</b> .....	25

## Introduction

Congratulations! You have made a smart decision to provide yourself and/or your employees with affordable coverage through CoverTN. CoverTN is a low-cost, state-sponsored health care plan providing limited benefits to:

- small businesses,
- the self-employed,
- those who work but do not have insurance, and
- the recently unemployed.

CoverTN covers the basic health needs of businesses and individuals who cannot afford other health care options. Through CoverTN, members have access to medical services, including preventive care and prescription drugs.

CoverTN is a part of Cover Tennessee, the state's multi-pronged effort to extend health insurance to Tennessee's uninsured. Cover Tennessee also includes:

- **CoverKids** - a free comprehensive health plan for qualified uninsured children in Tennessee,
- **CoverRx** - affordable prescription drugs for Tennesseans who lack pharmacy coverage, and
- **AccessTN** - comprehensive health coverage for seriously ill adults in Tennessee who have been turned away by private insurers. **Note: AccessTN suspended new enrollment on Oct. 15, 2010.**

Health insurance is one of the most important benefits you can provide your employees. Employers in Tennessee that offer CoverTN health benefits enable their employees to take care of their basic medical needs at a cost they can afford. By doing so, employers help their employees stay healthy, active and productive.

### **This Manual is a Great Resource For You!**

This CoverTN Business Owner's Reference Manual is your first resource in answering questions about administering CoverTN. Please review it and familiarize yourself with the processes. Don't hesitate to call us with any questions you may have after reviewing the manual. Our Member Services number is 1-888-887-3224. Hours are 8 a.m. to 6 p.m. ET, Monday through Friday. We will be happy to help you.

## CoverTN Plan Overview

BlueCross BlueShield of Tennessee (BCBST's) preferred provider organization (PPO) plans give members freedom of choice, value, and security. We have contracted with a network of health care institutions and professionals, called network providers, who agree to special pricing arrangements.

### Advantages of PPO Plans

PPO plans offer the following advantages:

- Freedom to choose doctors and hospitals.
- No referrals required to see certain doctors or specialists.
- Valuable wellness benefits:
  - Mammograms
  - Prostate cancer screenings
  - Well-woman exams

### Members Choose Network V Providers

Under CoverTN, members only receive benefits when using a provider in Network V. There are several ways members can find a Network V provider or check a provider's network status before receiving services. Members can:

- Call Member Services at 1-888-887-3224 for the most reliable, up-to-date information.
- Ask their doctor if he/she participates in Network V.
- Check the listing of network providers in the online Find A Doctor tool at [bcbst.com](http://bcbst.com).
- Check the listing of network providers in the printed Provider Directory they received in their welcome packet.

While CoverTN strives to provide prompt notice of changes and updates, information in the online and printed directories are subject to change. Doctors, hospitals and other providers continuously join or leave the network. **For the most up-to-date information about providers, members should call Member Services at the above number.** They should also call Member Services for help scheduling an appointment, if there is an issue.

## Eligibility Requirements

For purposes of the CoverTN Business Owner's Reference Manual, the term:

- **"Plan"** means the underwriter and administrator of the CoverTN program.
- **"Participating employer"** means an employer that offers CoverTN coverage to its employees. A participating employer must offer CoverTN to all eligible employees.
- **"Employee"** means an employee of a participating employer. Only eligible employees will qualify to participate in CoverTN.
- **"Self-Employed Individual"** means an individual who has been qualified by the State as being self-employed.
- **"Member"** is any individual who is enrolled in CoverTN.

Any employee of a participating employer who meets the requirements of the CoverTN program is eligible for coverage once the employee has enrolled and paid the required premium. If there is a question about whether a person is eligible for coverage, CoverTN shall make the final determination.

### Eligible Employees of Participating Employers

*(If the employer qualifies, the employee qualifies regardless of income)*

To be eligible for CoverTN, an employee of a participating employer must satisfy the following eligibility guidelines:

- Be 19 years old or older
- Be a U.S. citizen or qualified legal alien\*
- Work at least 20 hours a week, on average
- Live in Tennessee for at least six months or a bordering state
- Pay one-third share of the monthly premium, unless the employer agrees to pick up the employee's third
- Have not had health coverage (individual or group) in the last six months\*\*

### Coverage Extended to Spouses

If also eligible, an individual's spouse may enroll. Only uninsured individuals and their spouses, as recognized by Tennessee law, are eligible to enroll. No other dependents are eligible for coverage under CoverTN. A spouse of a CoverTN participant is eligible, as long as he or she meets the following eligibility requirements:

- 19 years old or older
- U.S. citizen or qualified legal alien\*
- Has not had health coverage (individual or group) in the last six months\*\*
- Live in Tennessee for at least six months
- Agrees to be directly billed for two-thirds share of the monthly premium

A participating employer is not obligated to pay one-third of the spouse's premiums. The employer may choose to contribute to the spouse's premiums, but that is completely at the option of the employer.

### Coverage Options for Dependents

Minor children of CoverTN participants may qualify for comprehensive coverage under CoverKids.

Also, CoverTN members who become pregnant are eligible to apply for HealthyTNBabies maternity benefits under the CoverKids program. Expecting members who choose this maternity

coverage can still remain enrolled in CoverTN for health benefits. See pages 10 – 11 for more information about CoverKids and HealthyTNBabies.

*\*A qualified legal alien is someone who is not a U.S. citizen, but who does live in the U.S. legally. To be a qualified legal alien, a person must also meet certain conditions. These conditions are defined in federal law at 8 U.S.C & 1622(b).*

*\*\*Exceptions to the six-month go-bare rule may apply. Individuals who meet all CoverTN eligibility requirements may enroll in CoverTN immediately if any of the following exceptions apply:*

- *They were on TennCare or CoverKids during the past six months*
- *They were in the Armed Forces in the past six months*
- *They suffered an "Involuntary Loss of Coverage" (To view a list of "Involuntary Loss of Coverage" exceptions, refer to page 3 of the [CoverTN Application Instructions](#).)*

# Enrolling in CoverTN

## **30-day rule**

New hires and those employees required to go bare six months must enroll within 30 days of becoming eligible. This means BlueCross BlueShield of Tennessee must receive their enrollment forms within 30 days from the hire date or eligibility date. After 30 days, these employees can only sign up for coverage during the annual open enrollment period in October.

## **Adding a spouse**

A spouse must sign up for coverage when the employee enrolls. Application for enrollment of new spouses must be received within 30 days of the date of marriage if the spouse has not had health insurance in the last six months. Spouses who have had health insurance in the last six months must wait to enroll after the six months "go bare" provision has been satisfied. Newly eligible spouses have 30 days from the date of eligibility to enroll. Those waiting more than 30 days can only enroll during the October annual open enrollment period.

## **Submitting enrollment forms early**

Individuals may submit enrollment forms up to 45 days prior to losing creditable health coverage for an eligible involuntary reason or exhausting COBRA coverage. Individuals may also submit enrollment forms within 45 days of meeting the six-month go bare requirement. This allows individuals coming off a health plan to avoid any gap in coverage.

## **Administering the Initial Open Enrollment**

1. Provide each eligible employee with enrollment materials. Show the plan options and explain the benefits and process issues to your employees as fully as possible, as described in the materials and this manual. Help employees pick a plan that best suits their needs.
2. Direct employees to review all of the enrollment materials and complete an employee enrollment form.\* Employers must fill out the Participating Employer Agreement/ACH Debit Agreement form, also called the PEA form.
3. Collect the completed enrollment forms and mail them, along with your completed PEA form, to BlueCross BlueShield of Tennessee for processing.

*\*If an agent is coordinating the enrollment process for you, be sure that the agent includes his/her ID number and signature on each enrollment form. This will ensure the agent gets the proper commission.*

## **Annual Open Enrollment**

After the initial enrollment period, eligible employees and spouses may only enroll during CoverTN's open enrollment period. This takes place every October, unless otherwise determined by the state. Coverage becomes effective Jan. 1.

All participating employers and enrolled employees will receive an open enrollment packet from BlueCross BlueShield of Tennessee in the mail in September. CoverTN offers two plan options. The packets will show the difference between the two options, as well as any benefit and premium changes for the new plan year. They will also include change forms for enrolled employees wishing to make a change to their current coverage. The employer packet will also include enrollment forms for any new employees or newly-eligible employees wishing to sign up for coverage.

During open enrollment, all eligible employees and spouses are given the opportunity to enroll. Enrolled members are also provided a chance to make changes to their current coverage. Members making changes from plan to plan – CoverTN Plan A to Plan B or CoverTN Plan B to Plan A – must fill out a change form (CVR-027). Those requesting to change their health information in order to lower rates due to weight loss or a change in tobacco use are also required to complete this form. The changes would not take effect until Jan. 1 of the following year.

Enrolled employees and spouses who want to keep coverage and do not wish to make changes to their health benefits plan or health information do not need to do anything during open enrollment. Their current elections and premium bracket will continue for the new plan year.

## **Administering the Annual Open Enrollment**

1. Be sure each enrolled employee reviews his/her enrollment materials. Go over any benefit and premium changes described in the open enrollment packet with the employees. Help employees fill out a change form if they are making changes to their current coverage.
2. Instruct eligible employees to review all of the enrollment materials and complete an employee enrollment form. Direct enrolled employees to fill out a change form indicating the desired action.\*
3. Collect the completed enrollment forms and change forms and mail them to BlueCross BlueShield of Tennessee for processing.

*\*If an agent is coordinating the enrollment process for you, be sure that the agent includes his/her ID number and signature on each enrollment form. This will ensure the agent gets his/her proper commission.*

### **CoverTN enrollment/change forms**

All PEA forms, enrollment forms, and change forms should be mailed to BlueCross BlueShield of Tennessee. They must be received between Oct. 1 and Oct. 31 for the company to consider them timely during the open enrollment period.

You should have received copies of these forms in your enrollment packet. If needed, you can request additional copies and other enrollment materials by calling CoverTN Government Sales at 1-866-636-0082.

Send enrollment forms and change forms to: BlueCross BlueShield of Tennessee  
Membership Administration – CoverTN 4.2  
1 Cameron Hill Circle  
Chattanooga, TN 37402

### **Scannable enrollment forms**

To enhance the enrollment process, CoverTN enrollment forms are designed to take advantage of Optical Character Recognition (OCR) technology. Enrollment forms are scanned directly into the system, eliminating the opportunity for data entry errors.

Listed below are tips for filling out the enrollment form to maximize the advantage of the OCR technology. It is important that all applicants keep these tips in mind when completing the enrollment forms:

- Original forms are preferred. Faxed forms will be accepted, but cannot be scanned, which will slow down the enrollment process.
- Forms are available from BlueCross BlueShield of Tennessee by calling 1-866-636-0082.
- Applicants should use block style printing for legibility and should write in blue or black ink. The OCR scanner cannot read red ink.
- Do not highlight data on the form. Doing so may make the form unscannable, which may slow down the enrollment process.

## **Coverage Portability**

CoverTN coverage can go with the employee if the employee leaves his/her employer, as long as the individual continues living in Tennessee and the employer participation was in effect for at least 30 days. Non-residents cannot keep coverage if they lose employment or their employer drops out of CoverTN. The only difference between the group and individual policy is that the employee would be responsible for two-thirds vs. one-third of the premium, paying both the employer and employee portion of the premium. The state would continue to contribute the remaining one-third.

## **Effective Date Guidelines**

Coverage shall become effective on the earliest of the following dates if the employee has completed enrollment and paid the premium for coverage. When this manual uses the phrase, "processes the enrollment form," it means that the CoverTN enrollment form has been received by the administrator, reviewed, determined to be complete, and information has been loaded into the claims processing system.

### **Effective dates**

If the Plan processes the enrollment form from the 1<sup>st</sup> through the 15<sup>th</sup> of the month, coverage is effective on the 1<sup>st</sup> day of the month following the processing of the enrollment form. If the Plan processes the enrollment form from the 16<sup>th</sup> through the end of the month, coverage is effective on the 1<sup>st</sup> day of the second month following the processing of the enrollment form. Changes made during open enrollment are effective Jan. 1 of the following year.

## Additional Coverage Options

### CoverKids

While members cannot purchase coverage for their dependent children through CoverTN, members may be able to enroll their dependent children in CoverKids. Like CoverTN, CoverKids is part of the Cover Tennessee initiative. CoverKids provides comprehensive health coverage for uninsured children 19 and under.

### HealthyTNBabies

CoverTN does not offer maternity benefits. However, members who become pregnant can receive maternity benefits through HealthyTNBabies. HealthyTNBabies is a component of CoverKids and also a part of the Cover Tennessee initiative.

#### What's covered under HealthyTNBabies?

This program covers pregnancies and problems of pregnancy. Pregnant mothers enrolled in HealthyTNBabies also receive personal support and valuable pregnancy information from registered nurses through CaringStart. This is a free maternity program available to all HealthyTNBabies members.

#### How are CoverTN members enrolled in HealthyTNBabies?

To apply for HealthyTNBabies maternity benefits, members must follow these instructions:

1. **Complete the CoverKids Application.**‡ The application can be printed from or completed at [CoverKids.com](http://CoverKids.com) or [bcbst.com](http://bcbst.com).
2. **Have the doctor fill out the CoverKids Pregnant Woman Provider's Statement Form.** The form can also be printed from either of the above Web sites. The member must take it to her doctor's office to be completed in order to confirm her pregnancy.
3. **Mail the application and provider's statement form to:**  
CoverKids  
P.O. Box 2010  
Cleveland, TN 37320-2010

*‡Copays vary based on income. Total yearly out-of-pocket costs can not be above 5% of the family's yearly household income.*

*‡ Members without Web access can request an application and provider's statement form by calling the CoverKids eligibility vendor at 1-866-620-8864*

## Membership Identification Card

**Important:** Below you will see an example of a CoverTN member ID card from BlueCross BlueShield of Tennessee. It's important that members follow these simple guidelines:

**1. Always carry the member ID card.** Members should show their member ID card anytime they receive medical care or prescription medicine. If a card is lost or stolen, the member must call Member Services immediately at 1-888-887-3224. Members can also order a replacement card through BlueAccess at [bcbst.com](http://bcbst.com).

**2. Know the provider network.** CoverTN members choose providers from Network V. Members should call Member Services at 1-888-887-3224 for the most up-to-date information about doctors, hospitals and other health care providers in their network. Representatives can also help a member schedule a doctor appointment if the member is having problems doing so. Other resources with a list of Network V providers include the online network directory at [bcbst.com](http://bcbst.com) and the printed CoverTN Provider Directory.

**3. Know the pharmacy network.** CoverTN members use the pharmacy network RX04. Members should check the pharmacy section of the network directories at [bcbst.com](http://bcbst.com) for a listing of pharmacies in their pharmacy network. CoverTN covers prescription drugs, but only through a limited list. Members must show their member ID card to their pharmacist to receive pharmacy benefits or in case the pharmacist needs to update the member's information with any prescription code changes.

**4. Know how to use the BlueCard or BlueCard PPO program before traveling.** Members can easily access care outside the Tennessee area, across the U.S. and in many countries worldwide, through the BlueCard program or BlueCard PPO program. Advise your enrolled employees to check for details in their Member Handbook.

# Membership Identification Card

(front of card)

Most recognized and trusted brand for health care.

Covers most health services that most Tennesseans need.




The employee's name is here.

This is the member's Member Identification number.

This group number helps identify CoverTN members.

CoverTN members use Provider Network V and Pharmacy Network RX04.

Member Name  
**CHRIS B HALL**  
Member ID  
**ZXL900123456**  
Group No. 119000  
RXBIN 610415  
RXGRP E020CTNA  
**NETWORK: V RX04**

Spouse  
**SUSAN HALL**  
**LIMITED BENEFITS**   
**Plan A - Copayments**  
Office Visit \$15  
Inpatient \$100  
Outpatient \$25  
RX \$10/\$25

The "PPO in a suitcase" logo lets you know your benefits travel with you.

These are the amounts that you are expected to pay when you receive these services.



(back of card)

Prior Authorizations are important!

Member Services.

Call this number to locate a provider outside Tennessee.



**bcbst.com**  
Member Service: **1-888-887-3224**  
Network Provider Outside Tennessee:  
**1-800-810-2583 (BLUE)**  
Eligibility/Prior Authorization:  
**1-800-924-7141**  
Pharmacists: **1-800-345-5413**

Members have limited or no benefits except when receiving services from a BlueCard PPO Network Provider.

Members: See your benefit booklet for covered services. Possession of this card does not guarantee eligibility for benefits.

Prior Authorization is required for admissions and selected medical services.

Providers: File claims with local BlueCross and/or BlueShield Plan.

BlueCross BlueShield of Tennessee  
801 Pine Street  
Chattanooga, TN 37402  
An Independent Licensee of the  
BlueCross BlueShield Association  
ID-292 CTA (04/07)



Pharmacy Benefits Administrator

## Premium Payment

Monthly premiums are split three ways among the employer, employee and the State. For self-employed individuals, the state pays one-third of the premium while the member pays the remaining two-thirds. The state will not subsidize premiums for anyone who is not a Tennessee resident. Premiums are based upon age, tobacco use and weight. Younger, non-tobacco using, individuals with a low body-mass index pay the lowest premiums, while older smokers with a higher body-mass index pay the highest.

Total premium costs range between \$111.58 and \$326.08 per month. This means that the share of the cost for an employee of a participating employer will be between \$37.20 and \$108.70 per month, and the share of the cost for a self-employed individual will be between \$74.39 and \$217.39.

We will notify employers and members in advance if any of the premium amounts change.

### Cost Sharing of Premiums

#### **“Employee of Participating Employer” Eligibility Category**

The state, the employer, and the employee of a participating employer split the monthly premium, with each paying 1/3 of the total premium.

##### ***employee member (if Tennessee resident):***

- state pays 1/3 of premium.
- employer pays 1/3 of premium.
- member pays 1/3 of premium.

##### ***spouse member (if Tennessee resident):***

- state pays 1/3 of premium.
- member pays 2/3 of premium. The employer is not required to pay 1/3 of spouse's premium, but may choose to do so if they wish.

##### ***employee member (if non-Tennessee resident):***

- state pays no premium.
- either employer or member pays state's 1/3 of premium, in addition to their 1/3 of premium.
- employer pays 1/3 of premium.
- member pays 1/3 of premium.

##### ***spouse member (if non-Tennessee resident):***

- state pays no premium.
- member pays entire premium; employer is not required to pay 1/3 of spouse's premium.

#### **“Self-Employed Individual” Eligibility Category**

Self-employed individuals are billed directly for 2/3 of the total premium, and the state pays the remaining 1/3. Self-employed individuals living outside Tennessee do not qualify, as well as their spouses.

##### ***self-employed member***

- state pays 1/3 of premium.
- member pays 2/3 of premium.

**spouse member**

- state pays 1/3 of premium.
- member pays 2/3 of premium.

**“Employee of Non-Participating Employer” Eligibility Category**

Employees of non-participating employers living outside Tennessee do not qualify, as well as their spouses.

**employee member**

- state pays 1/3 of premium.
- member pays 2/3 of premium.

**spouse member**

- state pays 1/3 of premium.
- member pays 2/3 of premium.

*Note: Non-Tennessee residents who have experienced a job loss or reduction in work hours do not qualify, as well as their spouses.*

**Electronic Bank Draft**

Participating employers and self-employed individuals are required to pay premiums through the bank draft process. A portion of the Participating Employer Agreement (PEA) is the ACH Debit agreement, which allows BlueCross BlueShield of Tennessee to draft monthly premiums from your account. Participating employers are required to fund both the employer’s and the employee’s third through the bank draft process, and to withhold the employee’s third through payroll deduction. Bank draft is the only acceptable method of premium payment. You will need to include a voided check or deposit slip with your PEA.

The following information will be required for BlueCross BlueShield of Tennessee to be able to draft your account:

- Account information – savings, checking, etc.
- Account name –the account holder’s name, exactly as it appears on the bank statement
- Bank name
- ABA number – the bank routing number
- Account number – your bank account number
- Subgroup number – found at the bottom of the enrollment letter
- Signature from responsible party

*Note: If the ACH debit information changes, BlueCross BlueShield of Tennessee requires 30 days prior notification from the expected date of change. If this information is not received within 30 days of the change, the account could be drafted in error.*

**Payment due dates**

Payment is due the first day of each month. We will draft from your account the 1<sup>st</sup> business day of each month. Changes or terminations should be reported no later than the 15<sup>th</sup> of the month to ensure an accurate statement of account.

**Delinquency notifications**

To ensure timely payment and avoid interruptions in health benefit coverage, BlueCross BlueShield of Tennessee has established a warning notification procedure for alerting groups when their premium payments are past due. Because CoverTN participating employers/self-employed individuals are set up with ACH debit, this process refers to insufficient funds notifications.

***Delinquency Letter***

This letter is sent to you and your enrolled employees when your monthly payment could not be drafted on the 1<sup>st</sup> business day of the month due to insufficient funds. Our collections department will attempt to call you to resolve the matter over the phone. If no payment has been received within 48 hours of the call regarding your insufficient funds, a letter will be sent to you and your enrolled employees (if applicable). The letters to employees will inform them that you have failed to make a timely premium payment. To retain coverage, the enrolled employee may elect to submit the payment that is due by the end of the current month, and the letter will offer options for making future payments.

***Reminder Notice***

If payment is not received prior to the 20<sup>th</sup> of the current month, your next bank draft will be debited for the previous and the current month due. The next month's invoice, which generates on the 20<sup>th</sup> of the current month, will include a reminder notice advising you that the previous and current month's premium must be paid in full by the end of the month to avoid termination.

***Termination Letter***

Upon notification of your second insufficient fund notice, a termination letter will be generated. The letter will inform you and your enrolled employees that the coverage has been canceled. If coverage is terminated, you will not become eligible to participate in the CoverTN program. Employees who are terminated due to the non-payment of premium by the employer will be given a second opportunity to continue coverage by paying two-thirds of the premium going forward.

# Billing Procedures

For billing purposes, self-employed individuals are considered the same as an employer.

## Statement of Account

The statement of account consists of the following sections:

**Account summary** – summarizes the total amount due as of the date the statement was generated. This is the total amount that will be drafted from your account.

**Account detail** – lists the number of members within each plan ID for the employer, and the amount due for each plan. If your group has more than one plan ID, they will be listed alphabetically. The plan ID is an internal code used by BlueCross BlueShield of Tennessee that identifies the type of benefits and coverage you or your employees have selected.

**Miscellaneous billing items** – used for infrequent occurrences of manual adjustments. Manual adjustments may be used to bill amounts not directly related to the members of a plan, activity that occurred before the new billing system, or billing adjustments. An example of a miscellaneous billing item is a fee for special reports, printed material, etc. You will not receive this page each month unless there is a manual adjustment made to your group.

**Current member detail** – lists each member, his/her identification number, type of coverage, plan ID, and premium amount.

**Retroactive adjustments** – lists premium additions/subtraction for members not reflected on the previous statement of account. The credit for the difference in premiums will show on the following month's statement of account as a retroactive credit for each month a premium credit is due.

The following pages show how your statement of account will appear, and explain how each section relates to the others. The explanation pages are numbered to correspond with the statement example pages.

## Account Summary Explanation

The following information will appear on your statement of account and account summary.

- **Billing Address and Recipient** - your billing address and the name of the person responsible for submitting changes and adjusting the statement.
- **Group ID** - group number that identifies CoverTN participating employer or self-employed individual.
- **Subgroup** - subgroup number that identifies your account. Each business is assigned a subgroup number.
- **Due Date** - date your payment is due.
- **Billing From/Thru** - period being billed.
- **Statement Number** - used by BlueCross BlueShield of Tennessee to identify current statement of account. (Julian date and subgroup ID)
- **Phone No** - business' telephone number.
- **Previous Total Due** - date prepared and total due (line 8) from your last statement. The first time you are billed, no date or amount due will be indicated.
- **Payments/Adjustments/Reversals/Refunds** - amounts listed individually.
- **Payments** - payments posted to your business' account.
- **Reversal/Adjustments** - if a payment has been posted to your group/subgroup and should have been allocated to multiple subgroups, the adjusting entry will appear as a

reversal. For example, if you have multiple subgroups and your payment was posted to subgroup 0001, the adjusting entry to correct this will show as a reversal on subgroup 0001, and the payment applied to other subgroups will be reported as an adjustment.

- **Refunds** - requested by participating employer/self-employed individual for overpayments or cancellations.
- **Outstanding balance as of (mm/dd/yy)** – the date your current monthly statement was generated. This balance represents amounts owed but not posted as of the last billing statement (line 8 plus/minus all of line 9's payments, adjustments, reversals, refunds).
- **Current Month Billing** - the total for the current month only. It includes:
  1. Miscellaneous billing items, manual adjustments.
  2. Current member detail.
  3. Any retroactivity since your last statement was generated.
- **Total Amount to be Drafted** - the amount you currently owe. It is made up of outstanding balance (line 10) plus/minus current month owed (line 11). **This is the amount that will be drafted from your account.**

## Account Detail Explanation

The top portion of this section is the same as explained in the previous account summary section, indicating group information and billing period.

- Group Name
- Group ID
- Subgroup ID
- Due Date
- Billing From/Thru date
- Statement Number
- Phone Number

**Account detail** -premium due summary. Information about your billing shown in six columns:

- **Col. 1 - Plan ID** - an internal code used by BlueCross BlueShield of Tennessee that identifies the type of benefits and coverage that your group has selected. Several plan IDs may be listed if your group has more than one benefit structure. If you have more than one plan ID, they will be listed in alphabetical order.
- **Col. 2 - Number of Member Employees** on statement for this plan ID
- **Col. 3 - Number of Member Spouses** on statement for this plan ID
- **Col. 4 - Current Billing** is the amount billed for each plan ID (this total comes from the "Current Member Details" section of your statement)
- **Col. 5 - Retroactive** amounts billed for this plan ID (this total comes from the retroactive adjustments total)
- **Col. 6 - Net** is the sum of the current billed amount and the retroactivity for this plan ID
- **Total for All Coverage** - the total of current premiums and retroactive adjustments.
- **Total Miscellaneous Billing Items** – manual adjustments that cannot be automatically calculated through the billing system. These are detailed in the miscellaneous billing section of your statement of account.
- **Outstanding Balance as of MM/DD/YY** - the outstanding balance as of the date the statement was generated.
- **Total Credit Balance** – credit to be applied on the next month's invoice.
- **Total Amount to be Drafted** - includes total for all coverage, miscellaneous billing items, and outstanding balances from prior period(s).

**ILLUSTRATION OF STATEMENT OF ACCOUNT**



**CoverTN**  
A Cover Tennessee Program

**STATEMENT OF ACCOUNT**

Employer Name  
Attn: Business Owner  
123 Street Address  
City, State Zip Code

GROUP ID: 119000  
SUB-GROUP ID: AA01  
DUE DATE: 03/01/07  
BILLING FROM: 03/01/07  
BILLING THRU: 03/31/07  
STATEMENT NO: 07060AA01  
PHONE: Employer Phone

**ACCOUNT DETAIL**

PLAN ID	MEMBER	NUMBER OF EMPLOYEE	MEMBER SPOUSE	CURRENT BILLING	RETRO	NET
SBVCTT00		3	2	\$500.00	\$0.00	\$500.00
SBVCTT01		3	0	\$400.00	\$300.00 -	\$100.00
SBVCTN00		1	0	\$100.00	\$0.00	\$100.00
SBVCTN01		3	0	\$300.00	\$300.00 -	\$0.00
TOTAL FOR ALL COVERAGES				\$1,300.00	\$600.00 -	\$700.00
TOTAL MISCELLANEOUS BILLING ITEMS:						\$100.00 -
OUTSTANDING BALANCE AS OF: 02/20/07						\$1,050.00
TOTAL CREDIT BALANCE						\$50.00
TOTAL AMOUNT TO BE DRAFTED FROM YOUR ACCOUNT						\$1,700.00

## Miscellaneous Billing Items

The top portion of this section will be the same as the other pages of your statement, indicating group information and billing period.

- **Items** - any type of manual adjustment that cannot be handled through the automated billing system.
- **Miscellaneous Items Total** - increases/decreases in current total due, included as a separate line on the account detail page.

### EXAMPLE OF MISCELLANEOUS BILLING ITEMS



**CoverTN**  
A Cover Tennessee Program

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#### STATEMENT OF ACCOUNT

Employer Name  
Attn: Business Owner  
123 Street Address  
City, State Zip Code

GROUP ID: 119000  
SUB-GROUP ID: AA01  
DUE DATE: 03/01/07  
BILLING FROM: 03/01/07  
BILLING THRU: 03/31/07  
STATEMENT NO: 07060AA01  
PHONE: Employer Phone

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#### MISCELLANEOUS BILLING ITEMS

ITEMS:	AMOUNT
ADJUSTMENT ON ADA BISHOP FOR JAN. PREMIUMS	\$100.00 -
MISCELLANEOUS ITEMS TOTAL:	\$100.00 -

## Current Member Details Explanation

The top portion of this section will be the same as the other pages of your statement, indicating group information and billing period. Information about your billing is shown in nine columns:

- **SP\*** – used to identify a member spouse who is listed separately from the member employee.
- **Member Employee ID**
- **Member Employee SSN**
- **Member Employee Name** - employee name as shown in BlueCross BlueShield of Tennessee's records.
- **Type Coverage** - determines premium rate to bill.
  - **B** = Member Employee & Member Spouse
  - **C** = Member Only
- **Previous Due** – total amount due on the previous billing statement.
- **Payment** – reflects any payment received since the previous billing statement.
- **Premium Amount** - current premium due for each plan ID.
- **Total Due** – total amount due at this time.

**Total** – total premium due for current billing cycle.

**Total of Coverage** - a count by coverage type is summarized at the end of each group/subgroup.

**ILLUSTRATION OF BILL SHOWING MEMBER DETAILS**



**CoverTN**  
A Cover Tennessee Program

**STATEMENT OF ACCOUNT**

Employer Name	GROUP ID:	119000
Attn: Business Owner	SUB-GROUP ID:	AA01
123 Street Address	DUE DATE:	03/01/07
City, State Zip Code	BILLING FROM:	03/01/07
	BILLING THRU:	03/31/07
	STATEMENT NO:	07060AA01
	PHONE:	Employer Phone

**CURRENT MEMBER DETAILS**

SP*	MEMBER ID	EMPLOYEE SSN	MEMBER EMPLOYEE NAME	TYPE CVG	PREV DUE	PAYMENT	PREMIUM ACCOUNT	TOTAL DUE
	888888888	901888888	ALDRICH-ADAMS SUSAN	C	\$100.00	\$0.00	\$100.00	\$200.00
	111111111	901111111	ARNETT STEPHANIE	C	\$100.00	\$0.00	\$100.00	\$200.00
	222222222	901222222	ATKINS FUSAKO	C	\$100.00	\$0.00	\$100.00	\$200.00
SP*	333333333	901333333	BALENTINE VICKIE	C	\$150.00	\$0.00	\$150.00	\$300.00
	444444444	901444444	BALENTINE DOUG	C	\$150.00	\$0.00	\$150.00	\$300.00
	555555555	901555555	BEAN ANTHEN	B	\$100.00	\$0.00	\$100.00	\$200.00
			SPOUSE		\$100.00	\$0.00	\$100.00	\$200.00
	666666666	901666666	BECKHAM PEGGY	B	\$100.00	\$0.00	\$100.00	\$200.00
			SPOUSE		\$100.00	\$0.00	\$100.00	\$200.00
	777777777	901777777	BENITEZ JUAN	C	\$0.00	\$150.00	\$100.00	\$300.00
	999999999	901999999	BISHOP ADA	C	\$100.00	\$0.00	\$100.00	\$50.00 -
	888888888	801888888	CRANSON BOB	C	\$100.00	\$0.00	\$100.00	\$200.00
			TOTAL:		\$1,200.00	\$150.00	\$1,300.00	\$2,350.00

TOTAL OF COVERAGE BY TYPE

TYPE B= 2  
TYPE C= 8

\* A SPOUSE NOT INCLUDED ON AN EMPLOYEE'S COVERAGE DUE TO RESIDENCY.

DESCRIPTION OF COVERAGE (TYPE CVG) COLUMN AS LISTED  
ON THE MEMBER DETAIL AND ADJUSTMENT PAGES:

B=MEMBER EMPLOYEE AND SPOUSE C=MEMBER ONLY

## Retroactive Adjustment Explanation

The top portion of this section will be the same as the other pages of your statement, indicating group information and billing period. Information about your billing is shown in seven columns:

- **SP\*** - used to identify a member spouse who is listed separately from the member employee.
- **Member ID**
- **Member SSN**
- **Member Name** - name as shown in BlueCross BlueShield of Tennessee's records (spouse name will be listed as "SPOUSE").
- **Type Coverage** - determines premium rate to adjust.
  - **B** = Member Employee & Member Spouse
  - **C** = Member Only
- **From/Thru Dates** - dates that retroactive premium adjustments are due. A separate line will be shown for each month for which retroactivity is due. Some reasons for a retroactive adjustment include:
  - Members added since the last bill.
  - Member terminations.
  - Changes in coverage (from Member Employee Only to Member Employee and Member Spouse, Member Employee and Member Spouse to Member Employee Only).
  - Rate Changes.
- **Premium Amount** - premium adjustment (debit/credit) due for each plan ID for the date range.

**Total** – total premium due for current billing cycle.

**ILLUSTRATION OF BILL SHOWING RETROACTIVE ADJUSTMENTS**



**STATEMENT OF ACCOUNT**

Employer Name  
 Attn: Business Owner  
 123 Street Address  
 City, State Zip Code

GROUP ID: 119000  
 SUB-GROUP ID: AA01  
 DUE DATE: 03/01/07  
 BILLING FROM: 03/01/07  
 BILLING THRU: 03/31/07  
 STATEMENT NO: 07060AA01  
 PHONE: Employer Phone

**RETROACTIVE ADJUSTMENTS**

SP*	MEMBER ID	EMPLOYEE SSN	MEMBER NAME	EMPLOYEE NAME	TYPE CVG	FROM	THRU	PREMIUM AMOUNT
	567891234	901891234	BICE	SUSAN	C	02/01/07	02/28/07	\$100.00 -
	12456789	901456789	BLACK	STEPHANIE	C	02/01/07	02/28/07	\$100.00 -
	234567891	901898562	BOUCHER	FUSAKO	C	02/01/07	02/28/07	\$100.00 -
	345467891	901284215	JACOBS	VICKIE	C	02/01/07	02/28/07	\$150.00 -
	456789123	901456987	NAVARRO	DOUG	C	02/01/07	02/28/07	\$150.00 -
<b>TOTAL:</b>								<b>\$600.00 -</b>

TOTAL OF COVERAGE BY TYPE

TYPE B= 0  
 TYPE C= 5

\* A SPOUSE NOT INCLUDED ON AN EMPLOYEE'S COVERAGE DUE TO RESIDENCY.

DESCRIPTION OF COVERAGE (TYPE CVG) COLUMN AS LISTED  
 ON THE MEMBER DETAIL AND ADJUSTMENT PAGES:

B=MEMBER EMPLOYEE AND SPOUSE C=MEMBER ONLY

# Claims Filing Procedures

## General Information

Network providers have agreed to file claims for members. If a member receives services from an out-of-network provider (either within or outside the service area), he or she can contact Member Services for assistance with filing a claim. The only benefits provided for services received from an out-of-network provider are emergency services.

## Claims Payment or Denial

After a claim has been filed, BlueCross BlueShield of Tennessee will determine if the expense is eligible for payment. If additional information is needed from the provider, the information will be requested and a determination made when it is received.

If a claim is partially or totally denied, the member may request a reconsideration of the denial in accordance with the grievance procedure outlined in his/her Member Handbook. In all cases, a Monthly Claims Statement will be sent to the member showing a clear summation of all claims filed for that member during the previous 28-day period. In addition, the member can pull up the Explanation of Benefits on the secure BlueAccess site at [bcbst.com](http://bcbst.com) to view the action taken on the claim.

## Monthly Claims Statements

The Monthly Claims Statement explains what was paid, to whom and for what and includes a section showing a member's status in meeting deductibles and reaching out-of-pocket maximums. Members should keep a copy of their Monthly Claims Statements with their health records in case questions arise as to how the claims were handled. A Monthly Claims Statement will only be sent if the member has claims activity in the 28-day period that the statement covers. If the member has no claims activity, no statement will be mailed.

## Explanation of Benefits

The Explanation of Benefits (EOB) informs members of our action taken on each of their claims. Members can see their detailed EOBs online at [bcbst.com](http://bcbst.com) on the secure BlueAccess pages and print them from there if copies are needed. Those who do not have access to a computer or printer can call Member Services if they need an EOB. Members can also elect to receive their EOBs electronically. To sign up for electronic EOBs, members can go to [bcbst.com](http://bcbst.com). Those who opt for online EOB notices will not receive a Monthly Claims Statement, but can get similar, even more comprehensive and up-to-date information through the online Personal Health Statement. It's available to any member who is registered with BlueAccess on [bcbst.com](http://bcbst.com).

## Grievance Procedure

The grievance procedure for CoverTN is intended to provide a fair, quick, and inexpensive method of resolving any and all disputes. Such disputes include: any matters that cause the Member to be dissatisfied with any aspect of the relationship with CoverTN; any adverse benefit determination concerning a claim; or any other claim, controversy, or potential cause of action the Member may have. The member should contact the Member Services Department, at the number listed on the membership ID card:

1. To file a claim;
2. If the Member has any questions about any documents received from us (e.g. an Explanation of Benefits); or
3. To initiate a grievance concerning a dispute.

The Member Handbook provides detailed information and instructions for filing a grievance.

## Most Frequently Asked Claims and Benefit Questions

***I am a small business owner that offers CoverTN to my employees. Can I still add employees and their spouses to the plan, even though new enrollment has been suspended? If so, is there a cut off for enrolling?***

New employees can still sign up for coverage, provided that he/she meets the eligibility rules of CoverTN. Current employees or spouses who get married or lose other coverage may also enroll due to a qualifying event, as long as they meet the rules, too.

BlueCross BlueShield of Tennessee must receive applications for enrollment of new hires and their spouses within 30 days of the hire date. Applications of current employees and spouses experiencing a qualifying event must be received within 30 days of the eligibility date. After 30 days, these employees and their spouses can only enroll during the annual open enrollment period in October.

***Where can I get a copy of the CoverTN Drug Formulary?***

All new members received a CoverTN Prescription Drug Program Guide that includes the Formulary as part of their welcome packet. A new guide is also mailed to members each year before the new plan year begins. You may view and download the Formulary from [bcbst.com](http://bcbst.com). Here's how:

- Go to the I'm a Member section on the left side of the page and click "More".
- Go to the Living a Better Life section on the right side of the page and click "Cover Tennessee".
- Click Find Pharmacy Details in the Popular Links section.
- Go to the Drug Lists section and click on the CoverTN Formulary.

If you no longer have your Prescription Drug Program Guide or do not have Web access, you can always order a copy of the guide by calling 1-888-887-3224.

***What are the requirements for termination of coverage?***

**STEP 1: Write a letter on employer letterhead requesting to terminate coverage.** The request must be submitted at least 30 days prior to the termination request date in order to stop the bank draft process. For example, if an employer requests termination on March 31, then BlueCross BlueShield of Tennessee must be notified no later than March 1.

*If an employee's coverage is being ended, the letter must contain the following information:*

- A statement that you are terminating an employee's coverage
- The employee's name
- The employee's CoverTN member ID card number
- The employee's termination date

*If an employer is being dropped, the letter must contain the following information:*

- A statement that you are requesting to terminate the entire subgroup
- The employer's name
- The subgroup ID number
- The employer's termination date

**STEP 2: Mail or fax the termination letter to:**

BlueCross BlueShield of Tennessee  
Membership Administration – CoverTN 4.2  
1 Cameron Hill Circle  
Chattanooga, TN 37402-9988  
Fax 1-866-636-0161

***I recently purchased a small business that participates in CoverTN and would like to continue coverage for my employees. What do I need to do?***

Anytime there is a change in ownership, the new owner will need to obtain a new Federal Employer Identification Number (Tax ID) and a new Tennessee Employer Account Number. The new owner may retain the same business name. However, the new owner will need to follow these guidelines to continue coverage under the new ownership:

**STEP 1: Complete the state of Tennessee’s Verification Application.** This is required so that the state can qualify the business and send the new information to BlueCross BlueShield of Tennessee. BlueCross BlueShield of Tennessee will process the information and a new subgroup will be assigned. To get a copy of the Verification Application, call the state at 1-866-COVERTN (1-866-268-3786).

**STEP 2: Fill out a Change Request Form for Employer Agreement and ACH Debit Agreement.**

**STEP 3: Compile a list of all existing employees who will be moving to the new subgroup.**

**STEP 4: Direct all new employees to complete an enrollment form.**

**STEP 5: Mail or fax the employee list and enrollment forms to:**

BlueCross BlueShield of Tennessee  
Membership Administration – CoverTN 4.2  
1 Cameron Hill Circle  
Chattanooga, TN 37402-9988  
Fax 1-866-636-0161

***Can an employer impose a waiting period (also referred to as a probationary period or eligibility waiting period) for employees before becoming eligible for CoverTN benefits?***

No. Eligible employees must enroll within 90 days from the employer’s participation date in CoverTN. A newly hired employee has 30 days from the date of hire to submit an enrollment form. After the initial enrollment period, eligible employees may only enroll during the annual open enrollment period, which takes place every October.

***What are some common situations that allow an employee to enroll in CoverTN outside of the annual open enrollment period in October?***

Common situations that permit an employee to enroll outside annual open enrollment are:

- The employee is new
- The employee meets the requirement to be uninsured for six months prior to enrollment.

If an employee enrolls outside the annual open enrollment period, it must be within 30 days of the eligibility date. Failure to submit within the 30-day period will result in the employee having to wait to enroll until the annual open enrollment period.

***What does “Involuntary Loss of Coverage” mean?***

For purposes of eligibility for CoverTN, “Involuntary Loss of Coverage” means that an individual did not choose to stop his/her health benefits. “Involuntary Loss of Coverage” allows a person to enroll in CoverTN without having to meet the six-month go-bare requirement. Only certain situations qualify as involuntary loss. To view a list of “Involuntary Loss of Coverage” exceptions, refer to the CoverTN Application Instructions online at [covertn.gov](http://covertn.gov).

***What is the timeframe for canceling members from coverage?***

Employers must notify BlueCross BlueShield of Tennessee 30 days in advance of a termination. CoverTN does not allow members to be terminated retroactively for more than 90 days, unless it was the CoverTN’s fault. As a rule, no member termination may be made retroactive more than 90 days prior to the date that the employer requested termination.

***How does a member request a predetermination?***

A predetermination is a request made before a service is performed to determine if a particular service is medically necessary. Usually, the member’s physician submits the predetermination request with medical information showing why the service is needed. BlueCross BlueShield of Tennessee usually responds within 14 days after receiving a predetermination request.

***Do members traveling outside of the country have coverage?***

Yes, benefits for services received by members outside the U.S. are eligible for reimbursement, as long as the member goes to a network provider.

***Is the member liable for medical costs if a pre-certification or prior authorization is not obtained for out-of-state providers?***

Yes. When a member seeks medical care from a provider outside the Tennessee service area, the member is responsible for obtaining prior authorization and pre-certification. If the prior authorization or pre-certification is not obtained, the member may be responsible for all charges. Members are responsible for instructing out-of-network providers to call the number on the back of their member ID card for prior authorization.

***What is a pre-existing condition?***

A pre-existing condition includes any physical or mental condition that was present during the six months before coverage took effect. Medical advice, diagnosis or treatment for the condition may have been recommended or received from a health care provider. With CoverTN, members must wait 12 months before treatment of a pre-existing condition can be covered.

For new members effective Jan. 1, 2009 and after, the 12-month pre-existing condition waiting period will be reduced by the amount of prior creditable coverage for those who apply for CoverTN within 63 days of losing their coverage. The 63 days is from the date of loss of coverage to the date BlueCross BlueShield of Tennessee receives the enrollment form.

### ***Are prescription drugs purchased outside the U.S covered?***

Prescription medication purchased outside of the U.S and its territories is excluded from reimbursement and ineligible per the CoverTN Member Handbook. Products purchased outside of the U.S bypass the control of the U.S. Food and Drug Administration (FDA). Currently, U.S. law does not allow citizens to import drugs from other countries since these medications are considered unapproved, and may be misbranded and/or impure. For members who are traveling and/or living outside the U.S and purchase a prescription drug, the prescription will be reviewed for benefits. However, the prescription drugs should be associated with corresponding medical bills.

### ***Why should members keep coverage with CoverTN if they exhaust their benefits?***

CoverTN can still be of great benefit to members who run out of benefits in several different ways. Continuation will allow members to:

- Avoid another 12-month waiting period for coverage of a pre-existing condition
- Get the contractual discounted rate for services from Network V providers
- Receive discounts for brand and generic drugs through a nationwide pharmacy network
- Avoid a six-month waiting period to re-enroll in CoverTN

### ***Member Services***

If members have additional questions, they may contact Member Services at **1-888-887-3224**. We can respond more quickly to a member's questions if he or she has the following information available when calling:

- Name of member
- Identification number
- Date of service
- Claim number
- Brief reason for inquiry or explanation of circumstances



BlueCross BlueShield of Tennessee  
1 Cameron Hill Circle | Chattanooga, TN 37402  
bcbst.com