Coordination of Benefits Payment Policy

Policy Statement

Coordination of benefits (COB) applies to Neighborhood Health Plan of Rhode Island (Neighborhood) members who are covered by more than one health care plan. Coordination of benefits helps ensure that members covered by more than one plan will receive the benefits to which they are entitled while avoiding overpayment by either plan.

This policy applies to:

☒**Medicaid** *excluding Extended Family Planning (EFP)*
☒**INTEGRITY**
☒**Commercial**

Prerequisites

All services must be medically necessary to qualify for reimbursement. Neighborhood may use the following criteria to determine medical necessity:

- National Coverage Determination (NCD)
- Local Coverage Determination (LCD)
- Industry accepted criteria such as InterQual
- Rhode Island Executive Office of Health and Human Services (EOHHS) recommendations
- Clinical Medical Policies (CMP)

It is the provider's responsibility to verify eligibility, coverage and authorization criteria prior to rendering services.

For more information please refer to:

- Neighborhood's plan specific Prior Authorization Reference page.
- Neighborhood's Clinical Medical Policies.

Please contact Provider Services at 1-800-963-1001 for questions related to this policy.

Reimbursement Requirement

Order of Benefit Determination

1. The order of benefit determination used by Neighborhood Health Plan of Rhode Island (Neighborhood) for all of its members is modeled after the National Association of Insurance Commissioners (NAIC) guideline.
2. Medicaid is always the payer of last resort, thus Medicare and TRICARE/Champus are primary to Medicaid.

3. INTEGRITY is the payer of last resort with the exception of a working INTEGRITY member that also has commercial coverage. The INTEGRITY plan would be primary in this case if the group size is under 19.
4. Tricare is the payer of last resort after commercial or Medicare coverage.

The following rules are applicable to **Neighborhood's commercial plans.** The order may change for Neighborhood's Medicaid offerings.

1. The benefits of the Plan that covers the individual as an employee are determined before those which cover the individual as a dependent.
    a. For example, John and Jane are married and both are employed. John subscribes to American Health Care through his employer, and Jane subscribes to Neighborhood through her employer. Both have family plans. In this case, the order of benefit determination is as follows:

Ex.	Primary Plan	Secondary Plan
John	American Health	Neighborhood
Jane	Neighborhood	American Health

    b. The secondary plan is responsible for covering any co-pays or deductibles after the primary plan has paid its portion.

2. If two or more plans cover a dependent child whose parents are not separated or divorced, the benefits of the plan of the parent whose birthday (month and day only) falls earlier in the calendar year are primary.
    a. For example, John and Jane have a child, Paul. As in the previous example, Both John and Jane work and subscribe to family health plans. John (subscriber to American Health) was born on October 12, 1962, and Jane (subscriber to Neighborhood) was born on September 9, 1963. The order of benefit determination is as follows:

Ex.	Primary Plan	Secondary Plan
John	American Health	Neighborhood
Jane	Neighborhood	American Health
Paul	Neighborhood	American Health

    b. The plan of the parent whose birthday falls earlier in the calendar year is the primary plan. Since Jane was born in September and John was born in October, Jane's plan is primary for any dependent children.
    c. If both parents have the same birthday, the plan that has covered the parent longest is the primary plan.

3. If two or more plans cover a dependent child whose parents are divorced or separated, and there is no court decree stating otherwise, the order of benefits for the child is:

    a. The plan covering the parent with custody of the child;
    b. The plan covering the custodial parent's spouse;
    c. The plan covering the parent not having custody of the child; *and then*
    d. The plan covering the non-custodial parent's spouse
        i. If there is a specific court decree stating which parent is responsible for health care of the child, that decree takes precedence over these guidelines.
        ii. If the decree states that the parents shall have joint custody, then the "birthday rule" defined above shall be used to determine payment.

4. The benefits which cover the person as an active employee are determined before those which cover the individual as either laid-off or retired.
    a. For example, John is retired from GM. He has American Health as his retirement plan through his former employer. John is now actively working at the Marriott and has Neighborhood through his current employment
    b. Neighborhood is primary for John since that is the plan for which he is actively working.

5. If none of the above rules determines the order of benefits, the benefits of the plan which covered a person longer are determined before those of the plan which covered a person for the shorter term.
    a. For example, if a person is actively working at two jobs, and has health care coverage through both, the plan which has covered that person longer is primary.

Claim Submission

In the event Neighborhood determines, after payment, that Neighborhood is not the primary insurer, a retraction of that claim payment may occur. The claim should then be billed to the primary insurer and resubmitted to Neighborhood with the primary insurer's EOB for secondary coverage.

Claims submitted to Neighborhood for secondary payment must be submitted electronically with the primary carrier's Remittance Advice (RA) attached. The RA must be legible and all charges and member information must match the claim form. Neighborhood will only pay as secondary for services that are covered benefits under the plan.

When Neighborhood is the secondary insurer, the filing limit for claim submission is 180 days from the date of the primary insurer's remittance advice (RA), unless otherwise dictated by provider contract.

Billable services are subject to contractual agreements, when applicable. Providers are required to submit complete claims for payment within contractually determined timely filing guidelines.

Coding must meet standards defined by the American Medical Association's Current Procedural Terminology Editorial Panel's (CPT®) codebook, the International Statistical Classification of

Diseases and Related Health Problems, 10th revision, Clinical Modification (ICD-10-CM), and the Healthcare Common Procedure Coding System (HCPCS) Level II.

Documentation Requirements

Neighborhood reserves the right to request medical records for any service billed. Documentation in the medical record must support the service(s) billed as well as the medical necessity of the service(s). Neighborhood follows CMS standards for proper documentation requirements.

Member Responsibility

Commercial plans include cost sharing provisions for coinsurance, copays, and deductibles. Members may have out of pocket expenses based on individual plan selection and utilization. Please review cost sharing obligations or contact Member Services prior to finalizing member charges.

Disclaimer

This payment policy is informational only and is not intended to address every situation related to reimbursement for healthcare services; therefore, it is not a guarantee of reimbursement.

Claim payments are subject to the following, which include but are not limited to: Neighborhood Health Plan of Rhode Island benefit coverage, member eligibility, claims payment edit rules, coding and documentation guidelines, authorization policies, provider contract agreements, and state and federal regulations. References to CPT or other sources are for definitional purposes only.

This policy may not be implemented exactly the same way on the different electronic claims processing systems used by Neighborhood due to programming or other constraints; however, Neighborhood strives to minimize these variations.

The information in this policy is accurate and current as of the date of publication; however, medical practices, technology, and knowledge are constantly changing. Neighborhood reserves the right to update this payment policy at any time. All services billed to Neighborhood for reimbursement are subject to audit.

Document History

Date	Action
04/01/2025	Updated filing limit for secondary submissions
12/11/2024	Policy create date