

PROVIDER BULLETIN

PROVIDER INFORMATION



This Bulletin was revised on 8/22/16. Please see Bulletin P43-16 for the revision.

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Third Party Payments of Premium and/or Cost-Sharing

As required by law, Blue Cross and Blue Shield of Minnesota and Blue Plus (Blue Cross) will accept premium and cost-sharing payments made on behalf of individual market qualified health plan (QHP) enrollees by the following entities: (1) the Ryan White HIV/AIDS Program, (2) other Federal and State government programs (or grantees) that provide premium and cost-sharing support for specific individuals, and (3) Indian tribes, tribal organizations, and urban Indian organizations. Blue Cross maintains sole discretion with respect to its acceptance of third-party premium and cost-sharing assistance. Blue Cross may make changes to its administration of same at any time and as otherwise needed to support compliance with the law and/or applicable regulatory guidance.

With the exception of the three categories of entities described above, Blue Cross may decline to accept premium and/or cost-sharing payments made by a third party on behalf of individual market enrollees. Blue Cross **does not accept** premium and/or cost-sharing payments made with respect to individual market health coverage by a commercial entity, hospital or other health care provider (including, without limitation, any supplier).

The United States Department of Health and Human Services (HHS) has recognized that third party payments of premium and/or cost-sharing provided by health care providers and other commercial entities have the potential to create conflicts of interest, skew the health coverage risk pool and increase the risk of adverse selection. This is detrimental to the long-term viability of the individual health coverage market overall and can result in increased rates for the entire individual market. In order to reduce these risks, HHS has discouraged health care providers and other commercial entities from making such payments and has encouraged issuers to reject them.

HHS has indicated that these concerns may not apply with respect to payments made by certain private, not-for-profit foundations/organizations if all HHS-specified criteria relevant to such foundations/organizations are met (e.g., payment is conditioned on defined criteria related to the enrollee's financial status, without considering health status, payment is made for the entire policy year, etc.). However, HHS neither encourages nor discourages issuers' acceptance of third party payment in such circumstances and Blue Cross may decline to accept such third party payments, which, among other things, raise concerns for potential conflicts of interest and adverse selection.

Any individual or entity that violates these restrictions on third party payment and/or makes any prohibited third party payment described above will be held responsible for and will be required to reimburse Blue Cross for all costs associated with the relevant individual market policy.

Questions?

If you have questions, please contact provider services at **(651) 662-5200** or **1-800-262-0820**.