

This policy was last updated: November 2022

Third Party Payer Guidelines - Fully-Insured Commercial (Non-Government) Individual and Group Markets

These requirements govern Blue Cross and Blue Shield of Minnesota's and Blue Plus' {Blue Cross'} acceptance of certain payments by third party payers. This policy applies to fully insured commercial lines of business, including individual/family plans and group plans. It does not currently apply to government program plans, including Medicare Advantage or Cost plans, Medicare Part D plans, Medicare Supplement plans and Medicaid plans (PMAP and MNCare). If a member has more than one plan, for instance, an individual commercial plan and a Medicare Supplement plan, this third-party payment policy currently only applies to their commercial plan. For plans effective on or after January 1, 2017, members are bound by third party payment limitations under the terms of the policy/plan contract. Blue Cross has the discretion to reject payments from third party payers in accordance with applicable law. Payments of premiums and/or cost-sharing by ineligible third parties 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 health coverage market overall and can result in increased rates for the entire market.

I. Accepted Third Party Payers

Blue Cross will accept premium and cost-sharing payments made on behalf of enrollees by the following third parties - **with an exception noted below, these third parties are NOT required to seek Blue Cross' prior approval in order to make payments on behalf of** enrollees (in the case of a downstream entity, the entity that routinely collects premiums or cost sharing for such party):

- (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.
- (4) Small employers that qualify as a Qualified Small Employer Health Reimbursement Arrangement (QSEHRA) under the 21st Century Cures Act (Minn. Stat. § 62L.12(m)).
- (5) Employers utilizing a Health Reimbursement Arrangement (HRA) are permitted, to the extent such payments are lawfully funded through an HRA that constitutes a group health plan under applicable regulations, which have not been enjoined by a court of competent jurisdiction.

II. ***Other Third-Party Payers that May be Accepted***

Blue Cross may, in its discretion, accept premium and/or cost-sharing payments from third parties other than those described above **but only when each of the following criteria has been demonstrated** (as such criteria may be modified in accordance with applicable law or regulatory guidance). These criteria must be examined on a case-by-case basis:

1. The assistance is provided on the basis of the enrollee's financial need and not on the basis of the enrollees' health status or medical condition; **AND**
2. The assistance is provided for the entire policy year; **AND**
3. The third-party payer is not a Health Care Provider, Supplier, Facility, or Clinic (see definitions below in **Section 111.b**); **AND**
4. The third-party payer is not an employer seeking to pay or paying premiums and/or cost-sharing (directly or indirectly) on behalf of members enrolled in or seeking to enroll in an individual/family plan (excluding a self-employed individual paying for his/her own coverage); **AND**
5. The third-party payer **does not have** any direct or indirect financial interests.
 - a. A "direct" financial interest may exist if the third-party payer itself has a financial interest in the payment of health insurance claims.
 - b. An "indirect" financial interest may exist, for example, if the third-party payer receives funding from other individuals or entities that have financial interests in the payment of health insurance claims.
 - c. Or, in the case of a non-profit, foundation or other charitable entity (including a religious organization), for example, a financial interest may exist if the entity receives significant financial contributions from an "ineligible third-party payer" (see definitions below in **Section 111.b**); **AND**
6. The third-party payer obtains Blue Cross' express prior approval, in writing, to make any such payments on a member's behalf (NOTE: third parties listed in **Section I** above (Accepted Third-Parties) do NOT require prior approval).
 - a. To seek prior approval, the third-party payer must complete the Third-Party Payer Form. To obtain a copy of the form go to our website at: <https://www.bluecrossmn.com/shop-plans/third-party-payments-premiums-and-or-cost-sharing> or contact us at 1-800-382-2000. Submit the completed form to Third.party.payer.review@bluecrossmn.com or mail to:

Blue Cross Blue Shield of Minnesota and Blue Plus
PO Box 982811
El Paso, Tx 79998

III. Ineligible Third-Party Payers and Payments

Blue Cross may, in its sole discretion and in accordance with applicable law and regulatory guidance, **decline to accept** premium and cost-sharing payments made directly or indirectly* by any person or entity from which Blue Cross is not required by law to accept third party premium and/or cost-sharing payments. Third parties that do not meet the criteria set forth in Sections I or II above are considered **"ineligible third-party payers."**

*Indirect payments include, for example, an ineligible third party making a check out to or otherwise paying the enrollee to permit the enrollee to pay amounts due to Blue Cross.

a. Ineligible Third-Party Payers

Following is a list of specific third-party payers that have already been reviewed by Blue Cross and determined ineligible. Blue Cross does not accept direct or indirect payment from these third-party payers:

For coverage effective on and after January 1, 2017, the American Kidney Fund.

b. Other Ineligible Third-Party Payers

Except as required by law (see Section I above Accepted Third Party Payers), ineligible third-party payers include the following individuals/entities:

1. A Provider or Supplier:
 - a. An individual, group or company that provides health care services or supplies and has a potential financial interest in receiving payments from Blue Cross for current or potential future patients under their care.
2. Health Care Facility:
 - a. A place where people receive medical care or treatment (for example, hospital, nursing facility, urgent care center, etc.) that has a potential financial interest in receiving payments from Blue Cross for current or potential future patients under their care.
3. Health Care Clinic:
 - a. A place where people receive medical care (for example, a doctor's office or specialty clinic) that has a potential financial interest in receiving payments from Blue Cross for current or potential future patients under their care.
4. A commercial (or for-profit) entity with potential direct or indirect financial interests:
 - a. for example:
 - i. a business or interest group that is related to one or more providers, suppliers, health care facilities, clinics, or that is related to a non-profit organization, foundation or religious institution that is related to one or more providers, suppliers, health care facilities or clinics.
 - ii. a business or interest group that otherwise has potential direct or indirect financial interests in the payment of health insurance claims.

5. An employer seeking to pay or paying premiums and/or cost-sharing directly to Blue Cross on behalf of members enrolled in or seeking to enroll in an individual/family plan.

Treatment of Ineligible Third-Party Payments

"Payments" include those made by any means, for example: cash, check, money order, credit card payment, electronic fund transfer, etc. Any cost-sharing paid by ineligible third parties will not be counted toward an enrollee's deductible or out-of-pocket maximum. "Cost-sharing" includes payments such as deductibles, copayments and coinsurance. Blue Cross may make retroactive adjustments to account for any payments made by ineligible third parties.

Applicants and Members are required to immediately notify Blue Cross of any change in their (or their dependent(s)) information submitted in connection with the application for coverage or otherwise provided with respect to any third-party payment.

Any person or entity that violates these restrictions and/or makes any ineligible 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 plan or policy related to the violation or ineligible payment.

Blue Cross maintains sole discretion with respect to its acceptance of third-party payments. Blue Cross may make changes to its administration of same at any time and as otherwise needed to support compliance with law and/or applicable regulatory guidance.

These criteria may be updated from time to time and should periodically be reviewed by Blue Cross staff to determine whether updates are warranted.