

Health Connector Policy: Premium Billing and Payments

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Category: Payment	Date revised: 9/4/2020
Approved by: Andrew Egan	Date reviewed: 9/4/2020

This policy applies to non-group health and dental products.

Premium Billing Responsibility

The Health Connector is responsible for premium billing and processing payments for its enrollees. The bill will show the total premium for members covered under the policy as well as any federal and/or state subsidies applied to reduce the amount owed by the subscriber and any discounts applied to reduce the amount owed by the subscriber.

Initial Payment Process and Deadline

The initial Payment Due Date for all non-group products is the 23rd calendar day of the month before the coverage effective date.

For individuals adding dependents mid-month¹: dependents added with an effective date on or before the 15th of the month must pay the full premium for that month. Coverage must be requested within the sixty day enrollment window that begins on the date of birth, adoption, or placement for foster care.¹ When effectuating coverage retroactively (for example, back to a child's date of birth), the premium for retroactive coverage is due at the same time as payment for prospective coverage.

For example: Enrollees A and B have a child, C, on April 10. They must request coverage for C within 60 days, by June 9. They call on April 25 to request coverage for C effective on April 10. They must pay the additional premium portion for C's April and May coverage, plus the June premium for A, B, and C by May 23. If they fail to pay by May 23, they may re-request coverage for C before June 9 and must pay the additional premium portion for C's April, May, and June coverage, plus the July premium for A, B, and C by June 23.

1. The Health Connector generates the initial bill ("quote") and sends it to the enrollee.
2. The enrollee pays the initial bill using one of the available payment methods.
3. The Health Connector processes enrollment and transmits an enrollment confirmation to the issuer each business day.
4. The issuer effectuates enrollment each business day, assigns member identification numbers, and notifies the enrollee of their enrollment, including the provision of insurance cards.

Ongoing Payment Process and Deadline

The Ongoing Payment Due Date for all non-group products is the 23rd of the month prior to the month of coverage. For example, the payment for October coverage is due by September 23. An

enrollee must pay their monthly premium in full, and the payment must be received by the payment due date each month.

- The monthly bill is generated on the 1st of each month and mailed to the enrollee, or, if the enrollee has opted for paperless billing, an email notification is sent alerting the enrollee a new bill has been posted to their account.
- The monthly bill is delivered to the enrollee by mail within 5 business days after the 1st of the month and is available in the online payment portal within 2-3 days after the 1st of the month.
- The monthly payment is due on the 23rd calendar day of the month for all non-group products.

If an enrollee has a change in coverage after the monthly bill is issued and the change increases or decreases their premium amount, then a revised bill will be issued to the enrollee the next day and the payment due date will remain the 23rd of the month.

Several payment methods are available:

- Payment online by one-time or monthly recurring Electronic Funds Transfer (EFT or AutoPay) using the Health Connector's secure online system. Members with an online account should log in to their account at <https://mahealthconnector.optum.com/individual/>. Members without an online account may make a payment as a guest at www.member.mahealthconnector.org/account/payments/locate-account.
- Payment via mail by check or money order per the instructions provided on the payment coupon included with the bill
- Payment by check or money order dropped off in person at any of the **Walk-In Center Locations** (<https://www.mahealthconnector.org/about/contact>)
- Payment made using the enrollee's bank or financial institution

Payments are processed and credited to an enrollee's account the same day they are received, provided the payment was submitted in accordance with the procedure established by the Health Connector and outlined below.

Partial Month Enrollments

For dependents who are added to a plan with an effective date on or before the 15th of the month, subscribers must pay the full premium for that month.¹ Subscribers will not be charged a premium for a partial month enrollment for dependents added with an effective date after the 15th of the month.

For individuals who are terminated from a plan effective on or before the 15th of the month, subscribers will not be charged a premium for that individual's partial month enrollment. Subscribers must pay the full month's premium for an individual who is terminated effective after the 15th of the month.

Payment Procedure

Enrollees must follow the proper steps for making a payment. The most updated information on how to make a payment, including useful links, can be found at www.mahealthconnector.org/how-to-pay.

- When sending a paper payment, customers must also send the payment coupon included in the bill with their payment. If the payment coupon is not available, customers should write their Subscriber ID, full name, address and phone number on the payment.
- When paying online, whether by one-time EFT or AutoPay, the system will require individuals to authenticate and designate the payment to a plan to ensure the payment is applied correctly.
- When using other payment methods, the customer must include their Subscriber ID, full name, address and phone number with the payment.

Payments that are designated to a health or dental plan shall be applied according to the specified designation. For payments with no designation of allocation to health or dental plan, the payments will be applied according to the Health Connector payment application rules.

Automatic recurring payments, or AutoPay

Using AutoPay, enrollees may elect to have their monthly payment automatically debited from a checking or savings bank account on a recurring basis. Customers may elect the 15th or 23rd of the month as the payment withdrawal date and may choose the amount to be withdrawn from the available options.

- In the event that an enrollee's monthly payment amount decreases from the billed amount prior to the month's withdrawal, the amount debited will automatically decrease as well.
- In the event that an enrollee's monthly payment amount increases from the billed amount, the amount debited will automatically increase as well.
- If a member with AutoPay shops for a new plan with a different carrier, the new premium for the new carrier enrollment will be withdrawn on the selected AutoPay date.
- AutoPay will last as long as a member is enrolled in a Health Connector plan. AutoPay will end when an enrollee's coverage ends and will restart if the member reinstates coverage.

Example: Member A is billed on the first of April for a May premium of \$100. On April 15, Member A experiences an eligibility change that increases their premium to \$200. On April 16th, a new bill is issued to the member for \$200 due by April 23rd. If AutoPay is scheduled for 15th of the month, then Member A will be charged \$100 on April 15th and should make an additional payment of \$100 by April 23rd. If AutoPay is scheduled for April 23rd, then Member A will be charged \$200 on April 23rd.

Improperly submitted payments

If the Health Connector receives a payment that does not contain sufficient or correct information on or with it and lack of information or incorrect information results in the Health Connector not being able to promptly and properly credit the payment to the enrollee's account, the payment will be held in a suspense account while the Health Connector conducts research in order to apply it correctly. Depending on the outcome of this research, the payment may be not applied or may be applied late to the enrollee's account. In this case, the enrollee's account will be subject to delinquency rules, or an applicant's enrollment will not be effectuated. A delinquent enrollee may be subject to termination as a result.²

Late Payments

An enrollee must pay their monthly premium in full by the payment due date each month. A payment received after the payment due date is treated as non-payment for the purposes of effectuating enrollment, application of delinquency rules, and termination for non-payment. A late payment may result in:

- The suspension or denial of claims by the issuer for health, dental and/or pharmacy services rendered for enrollee(s)
- Effectuating enrollment with a later effective date or not effectuating enrollment for enrolling individuals or families

Returned Payments

If an enrollee's payment is returned for any reason such as insufficient funds or incorrect information provided when making a payment, e.g. incorrect bank account or routing numbers, the Health Connector will process the payment return and update appropriate systems. The enrollee's next monthly bill will reflect the unpaid amount as well as any new premium owed. If the enrollee is enrolled in AutoPay using the Health Connector's online system and a payment is returned for insufficient funds, the Health Connector will cancel the enrollee's AutoPay setup. The enrollee can establish a new AutoPay at a later time.

A returned payment will result in account delinquency if full payment is not received by the payment due date, as outlined in *NG-11: Termination of Coverage- Non-Payment of Premium*.

The Health Connector may, in its sole discretion, request that the enrollee pay by a bank check or money order in cases where an enrollee has had multiple occurrences of returned payments.

Charges and Fees

The Health Connector is not responsible for fees charged by the enrollee's bank, financial institution or any third-party payment services an enrollee chooses to use.

¹ Please reference the policy *NG-5: Mid-Year Life Events*

² Please reference the policy *NG-11: Termination of Coverage- Non-Payment of Premium*