



NOTIFICATION & SPECIFIC/AGGREGATE STOP LOSS CLAIMS GUIDE

This guide can be used as a reference when submitting potential claim notifications or medical stop loss reimbursement requests to **Partners Managing General Underwriters (PMGU)**. This guide mentions various forms that are updated periodically to keep pace with technology and industry advances as well as to enable Partners MGU to operate more efficiently. For your convenience, we have made this guide and all forms available online at: www.partnersmgu.com.

Special Note

Nothing in this guide changes the terms of any medical stop loss Policy. The medical stop loss policy language will take precedence if there is any conflict between this guide and the Policy, the Policy will control.

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I. SPECIFIC CLAIM NOTIFICATION

A. CLAIMS NOTIFICATION REQUIREMENTS

It is a condition of the Excess Loss Contract that Partners MGU (PMGU) must be notified, by means of Potential Notification, of any claimant whose claims which have exceeded fifty-percent (50%) of the specific deductible.

The earlier notification of large or potentially large claims are received, the sooner management of the associated costs can be implemented. Additionally, PMGU requests notification of any claimant who meets the following criteria.

Large Claims (50% of the Specific Deductible)

When a claimant reaches or has the potential to reach 50% of their specific deductible, notification should be submitted. This will allow us to appropriately establish reserves in preparation for claim submissions. Examples of instances that could exceed 50% of specific deductibles would be traumas, lengthy in-patient stays of 7 days or more, multiple admissions (3 in 2 months), surgery or complications of surgery.

Catastrophic Claims (See the Trigger Diagnosis List)

Conditions and procedures likely to exceed specific deductibles are outlined in the Trigger Diagnosis list. These conditions tend to be chronic, require extensive ongoing treatment, hospitalization, including the following:

- a. Any claimant who has been hospitalized for more than one (1) month, case management and/or high cost medications;
- b. Mental disorders requiring hospital confinement;
- c. Head injuries;
- d. Spinal injuries resulting in real or suspected paralysis of the limbs;
- e. Serious burns (ten-percent 10%) of more of the body with third degree burns or thirty-percent (30%) or more of the body with second degree burns.
- f. Multiple or serious fractures;
- g. Crushing or massive internal injuries;
- h. Premature birth;
- i. AIDS/ARC;
- j. Cancer, except skin cancer;
- k. Prospective organ and/or tissue transplant recipients;
- l. Long-term care for chronic illness;
- m. Case assigned to large case management (LCM) (refer to Section III. C. 3);
- n. High-risk pregnancies;
- o. Hepatitis C;
- p. Hereditary Angioedema (HAE);
- q. Hypophosphatasia;
- r. Fabry Disease;
- s. Gaucher's Disease;
- t. Paroxysmal Nocturnal Hemoglobinuria (PHN);
- u. Homozygous Familial Hypercholesterolemia.

Utilization Review Vendors, Brokers, Producers, and Third-Party Administrators should submit information directly to Partners MGU regarding claimants with **catastrophic conditions** or who have **the potential to exceed 50% of their specific deductible**. The [Notification Form](#) can be submitted via secure email to notifications@partnersmgu.com, or via fax at 480.750.1395.

The minimum requirements for claims notification are:

- TPA Information: to include contact name, contact email address, phone & fax numbers, contact title and the date the referral was completed.
- Policy Holder Name: to include name of policy holder and USF policy # as listed on the issued policy.
- Stop Loss Coverage Periods: Effective Date & Term Date
- Incurred/Paid Periods
- Employee Name - Date of Birth; Gender, and Social Security Number or Identification Number
- Claimant Name - Date of Birth & Gender
- Primary Diagnosis
- Case Management
- Claims Paid to Date
- Claims pending

Providing additional details such as secondary diagnosis, prognosis, clinical updates, eligibility details, and confinement dates are very helpful and most appreciated.

PMGU will also accept system generated 50% reports. Reports MUST contain ALL identifying information as listed above, to include but not limited to diagnosis, claims paid to date and claims pending), and Case Management Reports. To further discuss reporting requirements, please contact the Claims Department at 480.750.3613.

B. TRIGGER DIAGNOSIS LIST

The specific diagnosis listed below are key indicators of potential catastrophic cases and should be referred to Partners MGU. The following instances should also be explored for potential case management.

<u>A00-B99</u>	<u>Certain infectious and parasitic disease</u>
A40	Streptococcal sepsis
A41	Other Sepsis
B15-B19	Viral hepatitis
B20	Human Immunodeficiency virus [HIV] disease
<u>C00-D49</u>	<u>Neoplasms</u>
C00-C96	Malignant neoplasms
D46	Myelodysplastic syndromes
<u>D50-D89</u>	<u>Diseases of the blood/blood-forming organs & disorders involving the immune mechanism</u>
D57	Sickle-cell disorders
D59	Acquired hemolytic anemia
D60-D64	Aplastic and other anemias
D65-D69	Coagulation defects, purpura and other hemorrhagic conditions
D70-D77	Other diseases of blood and blood-forming organs
D80-D89	Certain disorders involving the immune mechanism
<u>E00-E89</u>	<u>Endocrine, nutritional and metabolic diseases</u>
E10-E13	Diabetes mellitus
E15-E16	Other disorders of glucose regulation and pancreatic internal secretion
E65-E68	Obesity and other hyper alimentation
E70-E89	Metabolic disorders
<u>F01-F99</u>	<u>Mental, Behavioral and Neurodevelopmental Disorders</u>
F10.1	Alcohol Abuse
F11.1	Opioid Abuse
F20	Schizophrenia
F31	Bipolar Disorder
F32.3	Major depressive disorder, single episode, severe with psychotic feature
F33.1-F33.3	Major Depressive Disorder, recurrent
F84.0	Autistic Disorder
F84.2	Rett's Syndrome
F84.5	Asperger's Syndrome
<u>G00-99</u>	<u>Diseases of the nervous system</u>
G00	Bacterial Meningitis
G04	Encephalitis Myelitis and Encephalomyelitis
G06-G07	Intracranial and intraspinal abscess and granuloma
G12.21	Amyotrophic Lateral Sclerosis
G35	Multiple Sclerosis
G36	Other Acute Disseminated Demyelination
G37	Other Demyelinating disease of central nervous system
G82.5	Quadraplegia
G83.4	Cauda Equina Syndrome
G92	Toxic Encephalopathy
G93.1	Anoxic Brain Injury

I00-I99 Diseases of Circulatory System

I20	Angina Pectoris
I21.09-I22	Acute myocardial infarction
I24	Acute and Subacute Ischemic Heart Disease
I25	Chronic ischemic heart disease
I26	Pulmonary embolism
I27	Other pulmonary heart disease
I28	Other diseases of pulmonary vessels
I33	Acute & Subacute Endocarditis
I34-I38	Heart Valve Disorders
I42-I43	Cardiomyopathy
I44-I45	Conduction Disorders
I46	Cardiac Arrest
I47-I49	Cardiac Dysrhythmias
I50	Heart Failure
I60-161	Subarachnoid Hemorrhage / Intracerebral Hemorrhage
I63	Cerebral infarction
I65.8-I66	Occlusion of Precerebral / Cerebral Arteries
I67	Other cerebrovascular disease
I70	Atherosclerosis / Aortic Aneurysm

J00-J99 Diseases of Respiratory System

J40-J44	Chronic Obstructive Pulmonary Disease (COPD)
J84.10-J84.89	Post inflammatory Pulmonary Fibrosis
J98.11-J98.4	Pulmonary Collapse / Respiratory Failure

K00-K95 Diseases of Digestive System

K22	Esophageal obstruction
K25-K28	Ulcers
K31	Other diseases of stomach & duodenum
K50	Crohn's disease
K51	Ulcerative colitis
K55-K64	Diseases of intestine
K65-K68	Diseases of peritoneum & retroperitoneum
K70-K77	Diseases of liver
K83	Diseases of biliary tract
K85-K86	Diseases of pancreatitis
K90-K95	Other diseases of digestive system / Complications of bariatric procedures

M00-M99 Diseases of Musculoskeletal System & Connective Tissue

M15-M19	Osteoarthritis
M32	Systemic lupus erythematosus
M34	Systemic sclerosis
M41	Scoliosis
M43	Spondylolysis
M50	Cervical disc disorders
M51	Thoracic, thoracolumbar & lumbosacral intervertebral disc disorders
M72.6	Necrotizing Fasciitis
M86	Osteomyelitis

N00-N99 Diseases of the Genitourinary System

N00-N01	Acute and Rapidly Progressive Nephritic Syndrome
N03	Chronic Nephritic Syndrome
N04	Nephrotic Syndrome
N05-N07	Nephritis and Nephropathy
N08	Glomerular Disorders classified elsewhere
N17	Acute Kidney Failure
N18	Chronic Kidney Disease (CKD)
N19	Renal Failure, Unspecified

<u>O00-O9A</u>	<u>Pregnancy, childbirth and the puerperium</u>
O09	High Risk Pregnancy
O11	Pre-Existing Hypertension with Pre-Eclampsia
O14-O15	Pre-Eclampsia and Eclampsia
O30	Multiple Gestation
O31	Other complications specific to Multiple Gestations
<u>P00-P96</u>	<u>Certain conditions originating in the perinatal period</u>
P07	Disorders of newborn related to short gestation and low birthweight
P10-P15	Birth Trauma
P19	Fetal distress
P23-P28	Other respiratory conditions of newborn
P29	Cardiovascular disorders originating in the perinatal period
P36	Bacterial sepsis of newborn
P52-P53	Intracranial hemorrhage of newborn
P77	Necrotizing enterocolitis of newborn
P91	Other disturbances of cerebral status newborn
<u>Q00-Q99</u>	<u>Congenital malformations, deformations and chromosomal abnormalities</u>
Q00-Q07	Congenital malformations of the nervous system
Q20-Q26	Congenital Cardiac malformations
Q41-Q45	Congenital Anomalies of Digestive system
Q85	Phakomatoses, not classified elsewhere
Q87	Congenital malformation syndromes affecting multiple systems
Q89	Other Congenital malformations
<u>R00-R99</u>	<u>Symptoms, signs and abnormal clinical and laboratory findings, not elsewhere classified</u>
R07.1-R07.9	Chest Pain
R40-R40.236	Coma
R57-R58	Shock, Hemorrhage
R65.2-R65.21	Severe sepsis
<u>S00-T88</u>	<u>Injury, Poisoning and Certain Other Consequences of External Causes</u>
S02	Fracture of skull and facial bones
S06	Intracranial injury
S07	Crush injury to head
S08	Avulsion and traumatic amputation of part of head
S12-S13	Fracture and injuries of cervical vertebra and other parts of neck
S14.0-S14.15	Injury of nerves and spinal cord at neck level
S22.0	Fracture of thoracic vertebra
S24	Injury of nerves and spinal cord at thorax level
S25	Injury of blood vessels of thorax
S26	Injury of heart
S32.0-S32.2	Fracture of lumbar vertebra
S34	Injury of lumbar and sacral spinal cord and nerves
S35	Injury of blood vessels at abdomen, lower back and pelvis
S36-S37	Injury of intra-abdominal organs
S48	Traumatic amputation of shoulder and upper arm
S58	Traumatic amputation of elbow and forearm
S68.4-S68.7	Traumatic amputation of hand at wrist level
S78	Traumatic amputation of hip and thigh
S88	Traumatic amputation of lower leg
S98	Traumatic amputation of ankle and foot
T30-T32	Burns and corrosions of multiple body regions
T81.11-T81.12	Post procedural cardiogenic and septic shock
T82	Complications of cardiac and vascular prosthetic devices, implants and grafts
T83-T85	Complications of prosthetic devices, implants and grafts
T86	Complications of transplanted organs and tissue
T87	Complications to reattachment and amputation

Z00-Z99 Factors Influencing Health Status and Contact with Health Services

Z37.5-Z37.6	Multiple births
Z38.3-Z38.8	Multiple births
Z48-Z48.298	Encounter for aftercare following organ transplant
Z49	Encounter for care involving renal dialysis
Z94	Transplanted organ and tissue status
Z95	Presence of cardiac and vascular implants and grafts
Z98.85	Transplanted organ removal status
Z99.1	Dependence on respirator
Z99.2	Dependence on dialysis

Additional disclosure information to be referred to Partners MGU

- Transplants
- Pre-certifications
- Prescription Drugs and Specialty Drugs
- Large Case Management

II. SPECIFIC CLAIM REIMBURSEMENT REQUESTS

A. REIMBURSEMENT INFORMATION

It is standard practice that all claim reimbursement requests are paid directly to the Administrator/TPA, either via check or ACH method. Written notice from both the policyholder and the Administrator/TPA is REQUIRED to pay any other entity besides the Administrator/TPA.

The [ACH Information Request Form](#) is used to obtain agreement from the TPA to issue claim reimbursements electronically, and to obtain the banking instructions for the electronic transfer. Electronic transfers can be done for both specific and aggregate reimbursement requests. Once complete, please forward it to the Operations Manager at debbie.burrows@partnersmgu.com from a secure link.

B. FILING GUIDELINES

Claim forms can be found on our website, www.partnersmgu.com.

All completed claim forms should be submitted via secure email to claims@partnersmgu.com, or via fax at 480.750.1395.

Written proof of loss must be filed with PMGU within 90 days after the date the Specific or Aggregate Deductible is satisfied. A claim will not be invalidated nor reduced if it is shown that written proof of loss was given as soon as was reasonably possible. If written proof of loss is not given in that time, the Specific Claim Payment will be excluded from coverage under the Policy.

Consult your Stop Loss Policy for additional details.

C. STANDARD OR SIMPLIFIED CLAIM FILING

Specific claims (Initial and Supplemental) are filed in one of two formats, Standard or Simplified. The Standard format requires that the claims administrator submit traditional “stop loss” data including itemized bills and explanations of benefit (EOB) along with all supporting documentation. The Simplified version permits a claims administrator to submit supporting documentation along with a computerized report in lieu of the individual bills and corresponding EOBs. This kind of report provides information in a format that captures the EOBs and itemized bill data. Please note, however, that the Standard and Simplified formats require that itemized bills and EOBs be provided for all facility charges exceeding \$100,000; copy of any physician charges/miscellaneous providers more than \$5,000.

D. FILING A REIMBURSEMENT REQUEST

PMGU will reimburse the Policyholder for all eligible expenses in excess of the Specific Deductible or lasered amount up to the Maximum Benefit for Specific Losses. Please refer to the Schedule of Benefits in the Policy Provisions for all limitations.

When eligible medical expenses exceed the Specific Deductible, a claim should be submitted to PMGU for reimbursement. Claims administrators who are not able to submit claims on a system generated report are required to send copies of the itemized bills and EOBs via secure email at claims@partnersmgu.com, or via fax at 480.750.1395.

1. CLAIM SUBMISSION

Claim Submission Checklist: The following Claim Submission Checklist is a guide to help TPAs provide PMGU with the information necessary to process claims, obtain out-of-network discounts, and provide early claim notification. The following information should be provided to help ensure all necessary information is provided at the time of claims submissions.

- [Specific Reimbursement Request Form](#)
- [Eligibility Form](#) with necessary supporting documents
 - Copy of the original enrollment card or eligibility screen prints or application
 - Continuation of Coverage – Supporting documentation for FMLA, LOA, COBRA, including proof of premium payments and/or contribution
 - Other insurance documentation (Coordination of Benefits information)
 - Handicapped Child Certification documentation
 - Certificate of Creditable coverage (if applicable)
- [Accident Questionnaire Form](#)
 - Police report for motor vehicle accidents.
- Elected health plan option (if more than one health plan option is offered)

Initial and subsequent claim submission:

- Detailed Medical & Prescription Drug Paid Claims Reports containing proof of payment (in Excel format)
Required Report Data:
 - Employee Social Security Number (or Alternate ID#)
 - Employee Name
 - Claimant Name
 - Relationship to employee
 - Claimant date of birth
 - Diagnosis (ICD 10 code)
 - Incurred dates (from and through)
 - Provider name/ID
 - Procedure Code (CPT) or Revenue Code
 - Charge Amount
 - Allowed amount
 - Discount amount
 - Copayments
 - Paid Amount
 - Payee name
 - Date paid
 - Check number
 - Prescription Drug Charges should include Drug Name and Dosage
- Fee Invoices included on the Paid Claims Report (if applicable)
 - Discounting (savings fees/network access fees/negotiation fees)
 - Case Management Record reviews
- Copy of any applicable pre-certifications as required by the plan
- Copy of claims and itemized billing for any facility charges more than \$100,000 or as required by the plan
- Copy of claims and itemized billing for any physician charges/miscellaneous providers more than \$5,000
- Case Management Reports

Discounting:

Discounts should be obtained on the following out-of-network claims prior to submission:

- Inpatient hospital claims more than \$10,000
- Outpatient hospital claims more than \$5,000
- Physician claims more than \$5,000
- DME claims more than \$1,000
- All ongoing services regardless of the dollar amount (e.g., chemotherapy, dialysis)

2. ADVANCE SPECIFIC BENEFIT PAYMENT

The purpose of Excess Loss Insurance is to provide reimbursement to a Policyholder for claims “paid” (as defined in the Excess Loss policy) by them for expenses incurred by a Covered Person under the terms of the Plan Document within the Coverage Period shown in the Schedule of Benefits.

PMGU recognizes that occasionally groups may have difficulty paying extremely large provider bills, especially when a prompt pay discount is involved. To assist in these situations, the Advance Specific Benefit Payment Funding option, a value-added service, is available. The purpose of the Advance Specific Payment Benefit is to help the Policyholder by alleviating the financial burden incurred between the time a large claim is funded under the plan document and reimbursed under the Excess Loss Policy. It is not the intent of this benefit to fund each small dollar claim submitted after satisfaction of the Specific Deductible. This option can provide cash-flow assistance in these instances. All Advance Specific reimbursement requests will be processed in received date order. The Specific Reimbursement Request Form should be used, indicating the amount within the Current Specific Advance Requested field. These requests will not be rushed or expedited, unless negotiated discounts are at stake and might be lost.

The following conditions must be met for this benefit to be payable:

1. The claim must be incurred by the Policyholder for services otherwise payable under the Policy.
2. The Policyholder must make a written request for an Advanced Specific Payment Benefit.
3. The Policyholder must pay the provider(s) of service an amount equal to the Specific Deductible applicable to the Covered Person for which the claim is incurred, plus \$1,000 for the initial claim. The total of each subsequent submission/request must be no less than \$1,000.
4. All premiums due under the Policy must be paid currently to the end of the month for the same month the Advanced Specific Payment was requested.

Partners MGU must receive written notice of Advance Specific Funding requests no more than 31 days preceding the termination date of the Stop Loss Policy. A fully completed and signed Specific Reimbursement Request form must be completed for the Initial claim. If submitting a supplemental claim, please mark the claim number (#) on the Request Form.

Please refer to the Policy Provision for further clarification.

Additional information may be required if the circumstance related to the claim adjudication so warrants. If required, PMGU will contact you directly.

III. AGGREGATE CLAIM REIMBURSEMENT REQUESTS

A. REPORTING RESPONSIBILITIES

TPAs are required to report full aggregate claims data within 15 days after the close of any calendar month. Information should include monthly and Year-To-Date claims summaries (i.e. census, paid amounts, ineligible claims, etc.). The report should indicate the appropriate contract dates and type of contract (e.g. "Paid", "12/15", etc.)

B. MONTHLY AGGREGATE ACCOMMODATION REIMBURSEMENT - OPTIONAL BENEFIT

Monthly Deductible Aggregate Accommodation Reimbursement is offered as an option to our Stop Loss Contracts. The Monthly Deductible Aggregate Accommodation Reimbursement is designed to assist the Policyholder with cash flow during the term of the contract. It does not replace the funding requirements. The plan sponsor, prior to receiving a monthly accommodation, must pay all claims.

This accommodation is an optional benefit/endorsement that must be purchased by the Policyholder to the Stop Loss Policy. Review the policyholder's Policy Endorsement for a complete list of requirements/qualifications.

C. FILING A MONTHLY AGGREGATE ACCOMMODATION (ADVANCE)

To file a Monthly Aggregate Accommodation (Advance); please submit the following documentation:

- a. Completed Aggregate Reimbursement Request Form, check the Accommodation box to Yes
- b. Monthly Loss Summary Reports showing the Policyholder's paid claims data and Aggregate census information as noted in section A.
- c. Detailed Paid Claims Medical & Prescription Drug Reports (in Excel format) showing employee name, claimant name, provider, service date, type of service, amount of charges, amount paid, and paid date.
- d. Check registers

Please Note the Following:

Monthly Aggregate Accommodation (Advance) is not available in the first three months of the Policy Year, or the 31 days preceding the date of termination of the Policy. Please refer to the Policy Endorsement for further clarification.

If year to date claims fall below the accumulated monthly calculated deductible in each month, all accommodation payments must be refunded within 15 days. If the Policyholder has not incurred an aggregate claim at the end of the contract year, Partners MGU must be refunded all Monthly Aggregate Accommodation (Advance) payments at contract termination/expiration. Please refer to the Policy Endorsement for further clarification.

D. YEAR END AGGREGATE CLAIMS

You must file reimbursement requests within 90 days after the end of the time specified for payment of claims under the Medical stop loss Policy. Failure to do so will result in claim denial.

E. FILING A YEAR END AGGREGATE CLAIM

To file a year-end aggregate claim, please submit a completed [Aggregate Reimbursement Request Form](#) via secure email to aggregate@partnersmgu.com, or via fax at 480.750.1395.

The request should include all of the following Year-to-Date Reports:

- a. Detailed Medical & Prescription Drug Paid Claims Reports (indicating claimant's name, incurred date, charged amount, paid amount and paid date)
- b. Eligibility listing which identifies birth date, effective date, termination date and coverage type
- c. Proof of funding to include bank statements and/or deposit slips
- d. Void & Refund Report
- e. Benefit/Service Code Report
- f. Aggregate Report (Monthly Loss Summary Reports)
- g. Specific Report- showing claimants that have exceeded the Specific Deductible/Loss Limit
- h. Listing of payments made outside the Aggregate contract (i.e. Dental, Weekly Income, Vision, PPO Fees capitated, PCS Administrative Fees)
- i. Check Register
- j. Outstanding Overpayment Log
- k. Subrogation log
- l. Prescription Drug Invoices if Prescription Drugs are covered under the Aggregate contract
- m. Prescription Drug Rebates

We also request this information the month following expiration of your stop loss contract to review for retroactive adjustments.

IV. GENERAL INFORMATION

A. ELIGIBILITY

In order for a Covered Person's claims to be eligible under the Stop Loss Policy, they must first satisfy the eligibility requirements of the Employee Benefit Plan. Most Plan Documents contain definitions for Employees and Dependents, including waiting periods for new hires, as well as outlining termination provisions.

Since the Stop Loss Policy reinsures the Policyholder's Employee Benefit Plan, the Policy provides for reimbursement based on the exact wording of the Plan Document. Therefore, it is extremely important that all parties understand the Plan benefits and that Partners MGU be provided with information that clearly and precisely indicates how a person is eligible under the Plan.

B. LEAVE OF ACTIVE SERVICE

Guidelines regarding continuation of benefits when an employee stops working for reasons other than termination of employment. Generally, an individual's benefits cease when active service ceases. Active service is considered to cease on the last day worked unless due to a temporary layoff, a bona fide leave of absence, or a temporary disability.

When submitting an initial reimbursement request, a Confirmation of Eligibility/Work Status should be included.

C. MISCELLANEOUS EXPENSES

Because cost containment is an essential function in our industry, each section below outlines which costs associated with these functions are and are not reimbursable under the stop loss contract.

Fees that are assessed by claims administrators for reviews and determinations associated with their role as administrator in the adjudication of claims on behalf of the plan are not reimbursable. Such fees include activities such as claims administrator initiated medical reviews, medical records fee, reasonable and customary (R&C) determinations, procedure reviews, PPO access fee, experimental/investigation reviews, or custodial care reviews.

Partners MGU will reimburse claim related expenses based on the following:

1. NEGOTIATION FEES/DISCOUNTING

Recognizing the benefits of the savings for the plan participant, Partners MGU will reimburse re-pricing fees up to a maximum of 25% of the savings up to a maximum of \$25,000 provided the claim payments, plus the fees, exceeds the Specific Deductible. We believe this is a generous compromise as this is outside the provisions of the Stop Loss Policy. Discounts should be obtained on the following out-of-network claims prior to submission:

- Inpatient hospital claims more than \$10,000
- Outpatient hospital claims more than \$5,000
- Physician claims more than \$5,000
- DME claims more than \$1,000
- All ongoing services regardless of the dollar amount (e.g. chemotherapy, dialysis, etc.)

2. CAPITATED RATE

PPO fees billed at a flat rate per employee per month (capitated) are not eligible under the Specific or Aggregate stop loss coverage.

3. LARGE CASE MANAGEMENT (LCM) FEES

Similar to claims administrator fees assessed for cost containment efforts, those associated with large case management (LCM) that are considered operational/administrative functions are not reimbursable under the Stop Loss Policy. This would include the cost for sending emails, faxes, eligibility determination, clerical fees, or capitated fees that are charged to the group as per member, per month fees. Large case management, as we understand it, is directly associated with the management of an ongoing catastrophic claim.

Proper management results in savings and the cost of that management is reimbursable under the Stop Loss Policy provided the claim payments, in addition to the LCM fees, exceed the Specific Deductible and those fees are Incurred and Paid in accordance to the Policy's Contract Basis. Copies of LCM reports must be submitted when Partners MGU pays LCM fees.

4. DRUG CARD ADMINISTRATIVE FEES

Administrative fees for Drug Card programs (similar to PCS) are not eligible for reimbursement under the Specific or Aggregate stop loss coverage.

5. STATE SURCHARGES

Certain states levy surcharges on in-patient and outpatient hospital bills for uncompensated care pools, training, etc. Partners MGU will allow certain state surcharges (i.e. New York) where the courts have ruled that ERISA does not prevent the imposition of the state surcharge.

D. LEGAL MATTERS/COMPLAINTS

Partners MGU should be advised immediately by phone at 602.715.1690 of any legal matter in which Partners MGU is named. The summons and complaint, along with the complete file and any supplemental documentation, should be forwarded to the Chief Operating Officer at Partners MGU, 11811 N Tatum Blvd, Suite 3078 Phoenix, AZ 85028.

Partners MGU should be advised immediately of any lawsuit in which Partners MGU is not named, but could become involved because of Specific or Aggregate stop loss coverage. The complete file and any supplemental documentation should be forwarded to us for review.

Partners MGU must be advised of all Insurance Department Complaints in which our coverage is involved. The original complaint and complete claim file should be forwarded to us for our immediate review. Please fax complaints to the Chief Operating Officer at 480.750.1395 or send by email to operations@partnersmgu.com.

E. SUBROGATION/THIRD PARTY LIABILITY

Subrogation/Third Party Liability involves situations where a claimant incurs medical expenses that have been caused by a negligent third party. It provides the Plan and the Policyholder with an opportunity to shift the costs of the claimant's medical care onto the responsible party (their insurance company or other responsible entity).

Preparing claim documentation

For us to review and issue reimbursement on cases involving subrogation/third party liability, we must first have the following documentation:

- a. [Accident Questionnaire Form](#) (or the claims administrator's form that contains the same data) must be completed and should include any appropriate attachments.
- b. Subrogation and Right of Recovery Reimbursement Agreement should be signed by the Policyholder.

The company may reasonably require to pursue its rights. If payment from another party is received, the Policyholder must first reimburse PMGU for any benefits paid under the Policy, but not more than the amount paid by the other party.

Recovery of Overpayment

If benefits are overpaid, PMGU has the right to recover the amount overpaid by the following methods.

1. A request for lump sum payment of the overpaid amount.
2. A reduction of any amounts payable under the Policy.

F. FUNDING & TIMELY PAYMENT OF CLAIMS

Reimbursement of any stop loss claim (Specific or Aggregate), depends not only on when eligible charges are incurred, but also when they are paid. The Incurred and Paid dates represent the essence of stop loss coverage. Therefore, it is critical everyone understands precisely what "Paid" means. The Policyholder's contract should be consulted for the exact "Paid" definition. The printing of and subsequently "holding" a check does not constitute "payment" of or a "paid" claim.

G. OVERPAYMENTS & REFUNDS

All refunds should be forwarded to our Phoenix, AZ office if the overpayment pertains to a specific or aggregate claim payment.

Please be aware that often refunds are not received until after a Policyholder's Policy Year has expired. Even so, if the overpayments apply to the Incurred and Paid dates of the specific and/or aggregate coverage and reimbursement claims have been paid, these refund checks may rightfully belong to Partners MGU.

H. DENTAL, VISION, & PRESCRIPTION DRUG CHARGES

Stop loss policies are written to suit the individual needs of each Policyholder. Therefore, not all contracts include the same types of coverage. To know exactly which coverage options the Policyholder has elected, please review the Policyholder's Application for complete detail.