

Employee Benefits Division Policy Memorandum

Number: Policy Memo 55

Date Issued: May 6, 1991

Subject: Coordination of Benefit Procedures for the Empire Plan's Carriers

PURPOSE:

Determine the differences in coordination of benefit procedures for the Empire Plan's carriers.

BACKGROUND:

An Empire Plan enrollee or dependent may have other coverage that would pay claims as primary insurer following the usual COB procedures. If the enrollee or dependent does not file a claim with that insurer within the prescribed time period, the insurer may refuse to pay the claim. In such circumstances, the enrollee or dependent may then file a claim with the Empire Plan carriers.

The NYS Insurance Department informs us that since the COB rules were established to determine which carrier pays first, it is their opinion that if the first carrier has a legitimate reason for denying payment, the secondary carrier should assume primary status for payment of the claim.

POLICY:

Instruct the Empire Plan carriers to change their COB policy to provide coverage as primary insurer when an enrollee or dependent cannot obtain benefits from an insurer who refuses to provide benefits due to untimely claim submission. This policy does not extend the claim filing deadline. Any claims filed after the filing deadline should continue to be denied.