



# Advanced Premium Tax Credit

## How Claims Process During Premium Grace Period

Members who receive an advanced premium tax credit (APTC) to help with their healthcare premiums are eligible for a grace period of up to three months to pay their premium.

If a member who receives an APTC is late paying the premium, claims for services provided during:

Month 1 of premium nonpayment	Month 2 of premium nonpayment	Month 3 of premium nonpayment
Process in a timely manner according to member benefits.	Pend with status code 766: Services were performed during a Health Insurance Exchange (HIX) payment grace period.*	

- When the premium due is paid in full, pending claims process according to member benefits.
- If premium is not paid in full by the end of the three-month grace period:
  - Pending claims deny.
  - Policy is cancelled effective the first day of the second month of nonpayment.

Members must pay their first month's premium to be eligible for the grace period.

**Note:** Iowa Marketplace Choice Plan (Medicaid Expansion) members do not pay a premium, so premium grace periods do not apply to members covered by this plan. Other members have a 31-day grace period (see question 4).



\* Use Claim Status Inquiry tool (via secure Provider website) or 276/277 EDI transaction.

## Questions & Answers

**Q1:** *Is there a unique timely filing requirement for submitting CoOpportunity Health claims for members who stop paying their premium and are eligible for this grace period?*

**A1:** We look at the service date to determine our liability. For example, let's say an eligible member pays his or her premiums for January and February only. Claims submitted for January, February, and March services will be covered according to the member's benefits as long as the claim is received within our timely filing guideline, which requires claims to be submitted within 365 days of the date of service.

**Q2:** *Does CoOpportunity Health recoup the money paid for those claims during the first month of a premium nonpayment?*

**A2:** No. CoOpportunity Health assumes liability regardless of whether or not the member pays the premium.

**Q3:** *Can providers collect from APTC-eligible members at the time of services if they haven't paid their premium?*

**A3:** How providers manage patient collection is up to them. APTC-eligible members who do not pay the premium in full within three months are financially responsible for paying for their services during the final two months of a nonpayment. *Remember:*

- We assume liability and pay participating providers for services provided during the first month according to the member's benefits. These claims are paid in a timely manner.

- If a member eligible for the three-month grace period pays the premium in full before the grace period ends, we process pending claims according to their benefits. Claim payments are sent to participating providers.

**Q4:** *Do other CoOpportunity Health members receive a grace period for premium payment?*

**A4:** Iowa Marketplace Choice Plan (Medicaid Expansion) members do not pay a premium, so premium grace periods do not apply to them. CoOpportunity Health members responsible for the full amount of their premium receive a 31-day grace period to pay their premiums. During this time, claims pend with status code **734: Verifying premium payment**. Claims process according to benefits after members pay their premiums in full within 31 days, deny if they do not.

**Q5:** *Could a member receive more than one premium grace period in a calendar year?*

**A5:** Members are eligible for more than one grace period, regardless of whether they are eligible for a 3-month or 31-day grace period. However, if a member reaches the end of the applicable grace period and is terminated for nonpayment of premium, he or she may enroll again with CoOpportunity Health or any other Qualified Health Plan (QHP) during an open enrollment period.



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