

## Medica's Individual Products Move to the United Platform

### Overview

Medica's individual products are moving to the United Platform in several phases. This new platform will allow Medica to be flexible and adaptable to future needs, as well as provide the ability to support new product offerings. Providers should experience business as usual during the transition to a new business platform as this is simply an expansion of a business platform already being used.

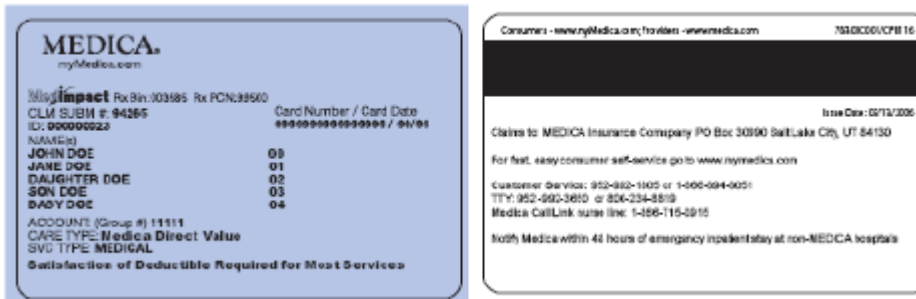
Medica's current individual products include:

- Medica Direct HSA<sup>SM</sup> for Individuals: a high-deductible HSA – compliant plan
- Medica Direct Value for Individuals<sup>SM</sup>: traditional insurance plan with individual deductibles
- Medica Direct Short-Term<sup>SM</sup> for Individuals: short-term plans available for periods of 30, 60 or 90 days

### Timeline

- 12/01/06** Medica Direct Short-Term for Individuals with an effective date of 12/01/06. Going forward, all new short-term policies will be set-up on the United Platform. Claims for policies with effective dates prior to 12/01/06 will continue to be adjudicated on the COSMOS platform.
- 01/01/07** Medica Direct HSA for Individuals & Medica Direct Value for Individuals policies with an effective or renewal date of 01/01/07. Claims for Medica Direct HSA for Individuals & Medica Direct Value for Individuals policies that have not renewed will continue to be adjudicated on the COSMOS platform.
- 01/01/07-04/01/07** Upon renewal, all remaining Medica Direct HSA for Individuals & Medica Direct Value for Individuals policies will move to the United Platform.
- 04/01/07** Claims for all individual products will be adjudicated on the United Platform.

### Identification Card



### Highlights

- Group Numbers: Once a policy has moved to the United Platform, a new group number will be assigned. The group number will be six-digits. Each individual product policyholder will be assigned a unique group number.
- 10-day Free Look Period: During the first 10-days of coverage, any incoming claims will be held until the free-look period has expired. If a policyholder declines coverage during this free-look period, the claims will be denied for non-coverage.
- Claim Hold for Premium: In the event of a lack of premium payment, Medica will close claims. If the premium is received within the grace period, the claims will be recalled and processed. If the premium is not received, the claims will be recalled and denied for non-coverage.
- Eligibility Checks: The product name will display as "Choice Plus," on electronic eligibility checks. An enhancement is planned to display the unique product name.

## Claims Payment and Provider Explanations of Benefits (EOBs)

- Payments will be issued on a different schedule than payments for Medica's other business. Payments will be issued, once per week, based on the first letter of the provider's check name:

Monday	A-C
Tuesday	D-H
Wednesday	I-M
Thursday	N-R
Friday	S-Z, 0-9, any other characters

  - Generally, the provider's check name will be the group name, e.g. ABC Clinic
  - Payments will not be bundled to one entity under the Alt Payee address. Payments will be made to the provider's check name under the individual practitioner (see Q&A for more details).
  - A maximum of 9 claims will be paid per Provider EOB.
- Provider EOBs and ePRA/835 will **not** include 7-digit COSMOS provider number.
- Adjustment, denial and disallow codes will **not** be used for this business on Provider EOBs. Proprietary "Remark codes", which are a combination of numbers and letters, will be used on Provider EOBs. Proprietary codes used on Provider EOBs are mapped to the ANSI X12 code set for the ePRA/835.

## Reimbursement

- Claims from Medica Choice contracted providers will be paid at Choice contracted rates.
- Individual codes, which together make-up a more comprehensive code, will be combined into the more comprehensive code. **Example:**

If same provider submits:  
93005 - Electrocardiogram, routine ECG with at least 12 leads, tracing only, without interpretation and report; and  
93010 - Electrocardiogram, routine ECG with at least 12 leads, interpretation and report  
Both codes will be denied with remark code **KW** – *we processed these charges using a procedure code that more accurately describes the services provided*  
Service will then be recoded to the more comprehensive code, 93000 – Electrocardiogram, routine ECG with at least 12 leads, with interpretation and report, with remark code **KX** – *we received one or more procedure codes for the services provided. We used a single procedure code that more accurately represents these services. Your plan benefits were applied using this single procedure code.*

## Coordination of Benefits

- COB Credit Reserve will be tracked.
- Tracking COB Credit Reserve is industry standard.
- Funds in the COB Credit Reserve will be used to pay coinsurances and deductibles on claims where the primary carrier did not pay in full.
- If there are not enough dollars in the COB Credit Reserve, when a claim is processed, any outstanding amount is patient responsibility, and will show as such on the Provider EOB.
- The primary carrier's allowed amount will be considered when Medica is secondary.

## Additional Resources

- United Platform EOB to ePRA/835 Crosswalk  
Located online at [www.medica.com](http://www.medica.com), next Provider Resources, Tools and Forms, then Claims Tools and Forms.
- Q&A on New Business Platform – United Platform  
Located online at [www.medica.com](http://www.medica.com), next Provider Resources, Tools and Forms, then General Tools and Forms.
- Explanation of the United Platform Provider EOB  
Located online at [www.medica.com](http://www.medica.com), next Provider Resources, Tools and Forms, then Claims Tools and Forms.