

## SUAA Alert Health Insurance Claim Payment Delays

The State of Illinois is 'balancing' its budget by deferring payments to many parties, resulting in a significant delay in payments to state employee and annuitant medical providers. Central Management Services (CMS) is the state agency that administers employee and annuitant benefits; and its website states that currently once a Quality Care Health Plan claim has been processed, there is an additional ten month delay in payments to contracted providers and a twelve month delay for non-contracted providers. For Quality Care Dental Plan payments there is a three to eight month delay, depending on the dental plan and whether the dentist is in or out of the network. Delays also apply to payments to out-of-network providers under the HealthLink Open Access Plan. These lengthy delays are impacting members in several ways.

First, some medical providers, particularly dentists, are requiring that individuals themselves pay for any care provided. In these cases the insured will eventually be reimbursed directly by CMS, less any deductibles and subject to any policy limits. This payment will also include interest on any delays over 30 days.

Second, although many medical providers, including doctors, clinics and hospitals, are providing the care and submitting the bill to the appropriate insurance carrier, when some providers do not receive timely payments from the insurer they are billing the insured individuals for the outstanding balances. Some SURS members have even received notices from collection agencies for these unpaid balances.

Third, there is a concern that medical providers may refuse to provide services to someone without pre-payment. This would most likely occur if the provider were already waiting for payment for prior services rendered, either to the same individual or to others covered under State of Illinois insurance plans.

Finally, some annuitants have had the experience of being billed for the full amount of the charges rather than an amount that takes into account what the insurer has agreed to pay. This should not happen. If it does, the insured should contact the provider immediately.

Given the finances of the state, this problem is unlikely to go away soon. Therefore, everyone covered by Illinois health insurance programs needs to be aware of the payment delays and take steps to protect themselves.

Most importantly, it is imperative that everyone, including retirees, maintain an emergency fund, generally recommended to be six months of expenses. These funds could be used to cover any medical bills for which a provider requires payment when service is received.

If you are billed for expenses that will be covered by your health insurance, or if the state's late payment causes a collection agency to get involved, you should act immediately. We suggest that you contact CMS to determine when this bill will be paid and inform the medical provider of this situation. Let them know that under state law a delayed payment will include interest on any delays over 30 days. In some cases, the provider will defer any additional action until after the payment is to be made. If your explanation is not sufficient, you should provide written documentation of the state's delays in payments. You could send the provider a copy of the CMS webpage that explains the delays. This website is continually updated to provide current information regarding the timeliness of payments.

<http://www2.illinois.gov/cms/Employees/benefits/Insurance/Pages/QCHPQCDPClaimPaymentDelay.aspx>)

Current employees who need additional help dealing with medical providers in this situation should contact the campus Benefits Center for help. For annuitants, the UIUC Chapter is working with the state office to develop other assistance, possibly including a letter of explanation that a member can request to be forwarded to a medical provider.

Our chapter is working on additional ways to help our members cope with the problems generated by the delays in health insurance payments. If you have any suggestions or if you have experienced problems please let us know. Our chapter email is: [suaa.ui@gmail.com](mailto:suaa.ui@gmail.com)

In order to avoid the added stress involved in finding out about payment problems when you are seeking medical care, you should be prepared to explain this issue to your medical provider. Updates on this problem and available assistance will be posted on the chapter website ([suaa-ui.org](http://suaa-ui.org)) as circumstances change.