

# Health Plan Policy

Scott & White Health Plan       Insurance Company of Scott & White

## Product Lines

<input checked="" type="checkbox"/> Individual PPO	<input checked="" type="checkbox"/> Individual HMO
<input checked="" type="checkbox"/> Individual Short Term PPO	<input checked="" type="checkbox"/> Group HMO
<input checked="" type="checkbox"/> Consumer Choice	<input checked="" type="checkbox"/> Group Health Savings Account (HSA)
Medicare <input checked="" type="checkbox"/> MA-PD <input checked="" type="checkbox"/> D-SNP <input checked="" type="checkbox"/> SeniorCare <input type="checkbox"/> Part-D	<input checked="" type="checkbox"/> Medicaid
<input checked="" type="checkbox"/> Self-Funded (ASO)	

“Lessor of” Reimbursement

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**Policy Owner:** Network Development

**Policy Number:** ND004

**Original Effective Date:** January 1, 2011

**Revision Dates:**

**Approval Date:** January 1, 2011

**Reviewed w/o Revisions:** September 1, 2014

**Signature:**



**Next Review Date:** September 1, 2015

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### **I. Purpose**

To establish reimbursement guidelines for participating providers based on the lessor of the applicable fee schedule or the participating providers' actual billed charges as payment in full for covered services rendered to SWHP members.

### **II. Scope**

- Scott & White Health (SWHP) Plan Participating Providers
- Medical Delivery Development Division
- Claims
- Configuration
- Customer Advocacy

### **III. Definitions**

- “Lessor of” Reimbursement – shall apply to the applicable fee schedule, actual billed charge, and customary charge
- Participating Provider – provider who is contracted with SWHP to provide covered services to SWHP members

### **IV. Policy**

SWHP's claims payment guidelines establish that reimbursement for participating providers shall be the lesser of the applicable fee schedule set forth in the provider's participating provider agreement with SWHP or the participating provider's actual billed charges as payment in full, except for the collection of any co-payments, coinsurance, and deductibles or for services not covered by SWHP.

Participating providers shall accept applicable reimbursement as payment in full and not balance bill SWHP members for any amount in excess of the lesser of the fee schedule or providers' usual billed charges.

**V. Reference/Regulations**

- SWHP Participating Provider Agreements