



GENERAL BALANCE BILLING TRAINING

Balance billing is the practice of billing a member for the difference between what is reimbursed for a covered service and what the provider feels should have been paid. Network providers who engage in balance billing are in breach of their contract with the corresponding medical group which prohibits this practice and may be subject to sanctions by contracted health plans, CMS, DHCS and other industry regulators.

Network Medical Management has been tasked with ensuring all contracted network providers have participated in education on the prohibition of balance billing. This is a requirement for all providers contracted for Medi-Cal and/or Cal MediConnect plans.

Guiding Principle

CONTRACTED PROVIDERS CANNOT BALANCE BILL A MEDI-CAL and/or MEDICARE ELIGIBLE BENEFICIARY FOR ANY COVERED BENEFITS

Purpose for this Training

- With new managed care programs (i.e. Cal MediConnect, Covered California) members and providers may not always be aware of patient costs and fees associated with these programs
- Recent reports of balance billing warrant increased monitoring by health plans
- Identified need for provider and patient education on the prohibition of balance billing for covered services

What is Balance Billing?

- When contracted providers or hospital charge beneficiaries for Medi-Cal and/or Medicare covered services which include **copays, co-insurance, deductibles, or administrative fees.**
- When non-contracted or fee-for-service providers charging members who are enrolled in managed care for any part of the covered service.
- Provider offices charging administrative fees for appointments, completing forms, or referrals.

When Can a Provider Bill?

- Providers may bill patients who have a monthly Medi-Cal share of cost obligation, but only until that obligation is met for the month.
- Medicare Part D patients, including Cal MediConnect, may have a cost share for some prescription drugs
- Cost for non-covered benefits
- Health plans may require co-pays and co-insurance fees.

Prohibition of Balance Billing

- Per Federal and State regulations, Network Medical Management has included prohibitions on balance billing in its provider contracts
- Network providers who engage in balance billing are in breach of their contract with the corresponding Medical Group.
- Providers who engage in balance billing may be subject to sanctions by affiliated health plans, CMS, DHCS and other industry regulators.

Steps to Take When Balance Billing Occurs

1. Tell the member – DO NOT PAY THE BILL!!
2. Verify eligibility and determine if the member is a Medi-Cal and/or Medicare member
3. Educate front office staff and billing departments about balance billing protections.
4. Educate patients about their eligibility status and about their rights.

For additional information regarding Balance Billing, please refer to your provider manual or you may contact the Provider Relations Department.