

# COORDINATION OF BENEFITS

## Primary & Secondary Insurance Changes

When you have primary and secondary health insurance plans, the insurance companies use a framework to work together to pay claims. Your primary insurance provider pays the first portion of the claim up to your coverage limits. Your secondary insurance provider may pick up none, some, or all the remaining costs. You may be responsible for some costs too. This process is called coordination of benefits (COB).

Coordination of benefits decides which plan pays first (primary plan) and which plan pays second (secondary plan). That way, both health plans pay their fair share without paying more than 100% of the medical costs. Here's how COB works when you file a health insurance claim:

- The claim goes to the primary plan. The insurer pays what it owes. You pay what you owe according to the plan rules.
- If there's money remaining on the bill after you've paid your share, it then goes to the secondary insurer, which picks up what it owes.
- After that, if there's still money left on the bill, you get a bill for the remaining money due.

When a member has double insurance, individual circumstances determine which insurance provider is primary and which is secondary.

Your Situation	Primary Insurance Health Plan	Secondary Insurance Health Plan
You're married and both of you have coverage through your employers	The Heritage Group plan	Your spouse's employer plan
The Heritage Group health plan and Medicare coverage	The Heritage Group plan	Medicare coverage
The Heritage Group health plan and Medicaid coverage	The Heritage Group plan	Medicaid coverage
The Heritage Group health plan and COBRA	The Heritage Group plan	COBRA
The Heritage Group health plan and workers' compensation	Workers' compensation	The Heritage Group plan
* You're under 26 with married parents, and both parents cover you under their separate policies.	The parent whose birthday is first in a calendar year ("birthday rule")	Parent with later birthday
* You're under 26 with divorced parents, and both parents cover you under their separate policies.	The parent with custody of the child. If both parents have joint custody, the birthday rule applies.	The parent who doesn't have custody (if applicable) or the parent with the later birthday
* You're under 26 and covered by your school/employer's plan and your parents' health plan.	Child's plan	Parents' plan
* You're under 26, married and covered by both your spouse's plan and your parents' plan.	Spouse's plan	Parents' plan
Military coverage (TRICARE) and The Heritage Group health plan	The Heritage Group plan	TRICARE (except if other plan is Medicaid)

