Coordination of benefits

HEALTH SAVINGS PLAN TIP SHEET

What is Coordination of Benefits?

Coordination of Benefits (COB) is a process where individuals, couples, or families who are covered under more than one health plan combine their coverage to maximize their benefits. One plan becomes the primary plan and pays benefits first while the other plan becomes the secondary plan and pays the balance for eligible expenses, subject to its plan benefits and limitations.

Examples of COB include:

- A Microsoft employee covered under the Health Savings Plan and another qualified high deductible health plan (HDHP)
- The spouse or domestic partner of a Microsoft employee covered under his or her own group insurance plan and the Microsoft Health Savings Plan
- Children covered under both parents’ plan, such as Microsoft and another company’s health plan

If I am on the Health Savings Plan can I coordinate benefits?

If you are enrolled in the Microsoft Health Savings Plan and you wish to enroll your spouse or domestic partner as a dependent with the Microsoft plan as the secondary plan, then you may coordinate benefits with no impact to your Health Savings Account (HSA) eligibility.

However, if you wish to open and contribute to an HSA, you may not be covered as a dependent on your spouse or domestic partner’s health plan unless that plan is also a qualified high deductible health plan (HDHP). This also applies if your spouse has a Health Care Flexible Spending Account.

How does Coordination of Benefits work?

One plan pays eligible benefits first and becomes the primary plan, while the other plan pays second and becomes the secondary plan. Once benefits are paid by the primary plan, the secondary plan pays its share of the remaining balance for eligible expenses, subject to the plan’s benefits and limitations. Using in-network providers with both the primary and secondary plans maximizes the benefits received. Your spouse or domestic partner should ask their provider to submit claims to both plans. If the provider will only bill the primary plan, your spouse or domestic partner can submit a claim to the secondary plan (the Microsoft Health Savings Plan) directly with copies of the itemized bill or receipt and the primary plan’s Explanation of Benefits (EOB). Please note that a copy of the primary plan’s EOB is required for Premera to coordinate benefits.
Which plan pays first?

See the examples below to determine which plan pays first (the primary plan) and which plan pays second (the secondary plan).

**Microsoft Employees**

Your Microsoft Health Savings Plan will be primary.

**For spouses and domestic partners**

Your spouse's or domestic partner's plan is considered primary for his or her own claims. He or she should submit claims to this plan first. Next, send the outstanding balance to the secondary plan (the Microsoft Health Savings Plan) for additional reimbursement of eligible expenses if applicable.

**For married couples with dependent children**

If you choose to cover your child on your spouse's or domestic partner's plan in addition to covering him or her on your Microsoft Health Savings Plan, your child's primary coverage will be based on the “birthday rule.” This means that the insurance of the parent whose birthday (excluding year of birth) occurs first in the calendar year will become primary coverage for the child. Note: A child of two Microsoft employees can only be covered on one Microsoft medical and dental plan. If this applies to your situation, you will need to determine which of you will cover the dependent. If you are separated or divorced, please refer to the COB rules for covering a child in the Summary Plan Description for more information.

What other important information should I know?

- Premera will pay benefits based on the Premera network status (in or out of network) of the provider. To receive the maximum benefit level, you should choose a provider that is in network for both plans.

- Your spouse or domestic partner must always follow the rules of his or her primary plan in order for the Microsoft Health Savings Plan to consider paying as secondary.
  
  **Example**—If the primary plan requires your spouse or domestic partner to obtain pre-approval for a procedure or see an in-network provider to receive coverage and he or she fails to do so, the Microsoft Health Savings Plan will pay nothing for that expense, regardless of whether it is a covered service under the plan.

- Any visit limits that apply to a plan will be counted toward the limit of both plans, regardless of which plan pays.
  
  **Example**—If both the primary and secondary plans cover two routine dental cleanings per year, the maximum number of dental cleanings allowed for each person covered under the two plans would still be two dental cleanings total. Having coverage under the secondary plan would not allow an additional two dental cleanings per year.

- The Microsoft plan will not pay an amount greater than the Premera allowed amount it would have paid if this plan were the primary plan.
  
  **Example**—The cost of the service received by your spouse or domestic partner is $150 and the allowed amount for the Microsoft Health Savings Plan is $100. If the primary plan paid $100, the Microsoft Health Savings Plan will not pay any additional amount over what the primary plan paid.

- Secondary claims are processed based on the covered services of the Microsoft Health Savings Plan, regardless if the service was covered by the primary plan.
  
  **Example**—If your spouse or domestic partner receives a service under his or her primary health plan that is not a covered service by your Microsoft Premera Plan as secondary coverage, there will be no reimbursement for the claim under your plan.
Coordination of Benefits scenarios

The examples below are for illustrative purposes only. Please call the Microsoft-dedicated customer service team at 800-676-1411, 5 a.m. to 8 p.m. Monday through Friday with any questions you may have about your specific Coordination of Benefits plan.

**Scenario #1: Employee +1**
The primary plan’s $500 deductible was met as a result of this service. The spouse or domestic partner has a balance of $500 owing to the provider if his or her provider accepted the primary plan’s allowed amount. While the secondary coverage (Microsoft Health Savings Plan) did not pay anything additional for this service, the full Premera allowed amount of $1,400 for the claim was applied toward the spouse’s or domestic partner’s secondary coverage Health Savings Plan deductible of $3,000, leaving a balance of $1,600 left to satisfy for the year.

<table>
<thead>
<tr>
<th>PLAN</th>
<th>BILLED AMOUNT</th>
<th>ALLOWED AMOUNT</th>
<th>AMOUNT ELIGIBLE FOR BENEFITS</th>
<th>AMOUNT APPLIED TO DEDUCTIBLE</th>
<th>COINSURANCE</th>
<th>AMOUNT PAID BY PLAN</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary plan</td>
<td>$2,500</td>
<td>$1,200</td>
<td>$1,200</td>
<td>$500</td>
<td>100%</td>
<td>$700 (B)</td>
<td>$500 (C)</td>
</tr>
<tr>
<td>Secondary plan (Microsoft Health Savings Plan)</td>
<td>N/A</td>
<td>$1,400 (A)</td>
<td>$700 (A-B)</td>
<td>$1,400</td>
<td>90%</td>
<td>$0 (D)</td>
<td>$500 (C-D)</td>
</tr>
</tbody>
</table>

Total Paid by primary and secondary $700

Remaining Health Savings Plan deductible $1,600

Remaining Health Savings Plan coinsurance maximum $2,000

Balance owed by spouse or domestic partner $500

**Scenario #2: Employee +1**
The primary and secondary plan’s deductibles have already been met. After applying both primary and secondary coverage, the spouse or domestic partner has a balance of $1,100 owing to the provider. After $100 in coinsurance has been applied to the secondary coverage Health Savings Plan coinsurance max of $2,000, it leaves a balance of $1,900 left to satisfy before the plan begins to pay 100 percent for covered services.

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<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary plan</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>N/A (met)</td>
<td>80%</td>
<td>$8,000 (B)</td>
<td>$2,000 (C)</td>
</tr>
<tr>
<td>Secondary plan (Microsoft Health Savings Plan)</td>
<td>N/A</td>
<td>$9,000 (A)</td>
<td>$1,000 (A-B)</td>
<td>N/A (met)</td>
<td>90%</td>
<td>$900 (D)</td>
<td>$1,100 (C-D)</td>
</tr>
</tbody>
</table>

Total Paid by primary and secondary $8,900

Remaining Health Savings Plan deductible $0

Remaining Health Savings Plan coinsurance maximum $1,900

Balance owed by spouse or domestic partner $1,100
How are secondary claims submitted to Premera?

Your spouse or domestic partner should ask his or her provider to submit claims to both primary and secondary coverage. If his or her provider will not submit secondary claims, your spouse or domestic partner will need to submit these directly to Premera by doing the following:

- **For Medical, Vision or Dental claims**—Go to aka.ms/benefits and select Medical, Vision or Dental in the Health & Fitness menu, then choose Find a Claim Form.
  —Complete the form and send a copy of the providers bill along with the Explanation of Benefits (EOB) from the primary plan.

- **For Pharmacy claims**—Go to aka.ms/benefits and select Prescription in the Health & Fitness menu, then choose Find a Claim Form.
  —Complete the form and submit it along with the pharmacy receipt (not the register receipt) that includes the drug name, National Drug Code (NDC), and payment information.

All secondary claims should be sent to:

Premera Blue Cross
PO Box 91059
Seattle WA 98111-9159
Or fax to 800-676-1477

Premera Blue Cross is an Independent Licensee of the Blue Cross Blue Shield Association
Discrimination is Against the Law

Premera Blue Cross complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. Premera does not exclude people or treat them differently because of race, color, national origin, age, disability or sex.

Premera:
• Provides free aids and services to people with disabilities to communicate effectively with us, such as:
  - Qualified sign language interpreters
  - Written information in other formats (large print, audio, accessible electronic formats, other formats)
• Provides free language services to people whose primary language is not English, such as:
  - Qualified interpreters
  - Information written in other languages

If you need these services, contact the Civil Rights Coordinator.

If you believe that Premera has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with:
Civil Rights Coordinator - Complaints and Appeals
PO Box 91102, Seattle, WA 98111
Toll free 855-332-4535, Fax 425-918-5592. TTY 800-842-5357
Email AppealsDepartmentInquiries@Premera.com

You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, the Civil Rights Coordinator is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at https://ocrportal.hhs.gov/ocr/portal/lobby.jsf, or by mail or phone at:
U.S. Department of Health and Human Services
200 Independence Avenue SW, Room 509F, HHH Building
Washington, D.C. 20201, 1-800-368-1019, 800-537-7697 (TDD)Complaint forms are available at
https://ocrportal.hhs.gov/ocr/portal/lobby.jsf, or by mail or phone at:
Office for Civil Rights Complaint Portal, available at
https://ocrportal.hhs.gov/ocr/portal/lobby.jsf, or by mail or phone at:
U.S. Department of Health and Human Services
200 Independence Avenue SW, Room 509F, HHH Building
Washington, D.C. 20201, 1-800-368-1019, 800-537-7697 (TDD)

Getting Help in Other Languages

This Notice has Important Information. This notice may have important information about your application or coverage through Premera Blue Cross. There may be key dates in this notice. You may need to take action by certain deadlines to keep your health coverage or help with costs. You have the right to get this information and help in your language at no cost.
Call 800-722-1471 (TTY: 800-842-5357).

Arabic (Amharic):
لا يجوز لليهود أن يكونوا يتحدون بالهندسة في Premera Blue Cross. يتم تطبيق هذه المعايير في جميع الأوقات، ولا يجوز لهؤلاء العاملين أن يتعالجون على أساس بناء على الاختلافات العضوية أو العصبية أو العصبية بينهم.
Call 800-722-1471 (TTY: 800-842-5357)

Chinese (Chinese):
本通知有重要的訊息。本通知可能有關於您透過 Premera Blue Cross 提交的申請或保險的的重要訊息。本通知內可能會有重要日期。您可能需要在截止日期之前採取行動。以保留您的健康保險或費用補貼。您有權利免費以您的母語得到本訊息和幫助。請撥電話 800-722-1471 (TTY: 800-842-5357)

Oromo (Cushite):

Français (French):

Deutsche (German):

Hmong (Hmong):

Ilokano (Ilocano):
Daytoy a Pakdaak ket naglaon iti Napateg nga Impormasion. Daytoy a pakdaak mabalbin nga adda ket naglaon iti napateg nga impormasion maianggip iti aplikasyonu woyen coverage babaen iti Premera Blue Cross. Daytoy ket mabalbin dagit importante a pelta iti daytoy a pakdaak. Mabalbin nga adda rumbeng nga aramendidu nga adda ngab sabbay dagiti partikler a naulinding nga aldaw tapon mapagtalaginedyo ti coverage ti salan-atyo woyen tulong kadagitii gastos. Adda karbenganyo a mangala iti daytoy nga impormasion ken tulong iti bukodyo a pagasasoa nga awan ti bayadanyo. Tumawag ti numero nga 800-722-1471 (TTY: 800-842-5357).

Italiano (Italian):

Premera Blue Cross: Usted necesita actuar antes de la fecha de enlace. No se hará efectiva la cobertura de salud ni se te pagará a menos que hayas cumplido con este proceso. Llama a 800-722-1471 (TTY: 800-842-5357) o visita premerabluecross.com para obtener ayuda.

Atonu ua iai i le lenei fa'asilasi ni fa'amatalaga e sili ona taua e tatau ona e malamalama i a. O le lenei fa'asilasi ni o se fesoasoani e fa'amatala ati i a i le lulega o le polokalame, Premera Blue Cross, ua e tau fa'amau ati i a. Fa'amolemoane, ia e Sopo'alelei e i a fa'apito o lo i a i le lenei fa'asilasi tauta. Mosalo o le lai ia fe fea ona ona e se fesoasoani i la a le afo le a le aua le a le aso o lo i a i a i le lenei fa'asilasi tina i la i e mea fesoasoani mai a i le le polokalame o le Malo o lo i a i a. Olo o ia ia iata i e le aia tatau e fa'amau ati i le lenei fa'asilasi ma le lenei fa'matala i legaina e te malamalama i a i aunoa ma se tòpiga tupe. Vili ati i le leofone 800-722-1471 (TTY: 800-842-5357).

영어 (English):

Premera Blue Cross: If you do not act by the given deadline, you may lose your health coverage or you may be charged for any services you receive. Call 800-722-1471 (TTY: 800-842-5357) for more information.

한국어 (Korean):

Premera Blue Cross: 인내한 경우, 건강 보장이 끊어지거나 비용 부담을 받게 될 수 있습니다. 추가 정보는 800-722-1471 (TTY: 800-842-5357)에 연락해 주십시오.

Русский (Russian):

Если вы не действуете до указанного срока, у вас может отказать ваша страховка или вам придется платить за услуги. Вы можете получить больше информации, позвонив по телефону 800-722-1471 (TTY: 800-842-5357).

Español (Spanish):

Premera Blue Cross: Si no actúa antes de la fecha indicada, puede perder su cobertura de salud o tener que pagar por los servicios. Llame al 800-722-1471 (TTY: 800-842-5357) para obtener más información.

العربية (Arabic):

قد تسحب التغطية الصحية إذا لم تلتزم بالموعد المحدد. يرجى الاتصال ب 800-722-1471 (TTY: 800-842-5357) للحصول على مزيد من المعلومات.

日本語 (Japanese):

この通知には重要な情報が含まれています。Premera Blue Crossの申請または補償に関連する重要な情報が含まれていますので、この通知には記載されている可能性がある重要な日付をご確認ください。健康保険やそのサポートを維持するには、特定の期限までに行動を取りなしなければなりません（ご用命により情報やサポートが無料です。800-722-1471 (TTY: 800-842-5357)までお電話ください。

한국어 (Korean):

통지서에는 중요한 정보가 들어 있습니다. 이 통지서는 주의가 필요한 사항을 포함하고 있으나, 통지서는 목록이 있는 날짜에 있을 수 있습니다. 통지서는 귀하의 건강 보장 서비스를 계속 유지할 수 없거나 비용을 지불하게 될 수 있습니다. 귀하의 이러한 정보와 도움은 귀하의 만족도 및 비용 부담을 덜을 수 있는 권리가 있습니다. 800-722-1471 (TTY: 800-842-5357)으로 전화하십시오.

Română (Romanian):


乌克兰ский (Ukrainian):

Це повідомлення містить важливу інформацію. Це повідомлення може містити важливу інформацію про Ваше звернення щодо страхувальниках попити через Premera Blue Cross. Зверніть увагу на ключові дати, які можуть бути важливі для того, щоб ви були в повідомленні. Існує імовірність того, що Вам треба буде здійснити певні кроки у конкретні кінцеві строки для того, щоб зберегти Ваше медичне страхування або отримати фінансову допомогу. У Вас є право на отримання цієї інформації та допомоги безкоштовно на Вашій рідній мові. Дозвоніться за номером телефону 800-722-1471 (TTY: 800-842-5357).

Tiếng Việt (Vietnamese):