



Horizon Blue Cross Blue Shield of New Jersey

Making Healthcare Worksm

Brief Notes

News for Brokers and Consultants

3 Penn Plaza East, Newark, NJ 07105-2200

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Applies to: Small Employer (Two to 50) Market

New Commercial Group Reinstatement Policy

Effective July 16, 2001, Horizon Blue Cross Blue Shield of New Jersey no longer reinstates groups that have terminated for nonpayment of premium for more than two months (60 days) after the payment due date. This is a change from the previous policy that enabled groups to apply for reinstatement for up to six months after termination.

An example of this new policy is illustrated below:

- ABC Group's payment is due on June 1.
- On July 15, ABC Group is terminated for nonpayment of premium.
- ABC Group has until August 1 to contact Horizon BCBSNJ for reinstatement under the established guidelines.
- After August 1, Horizon BCBSNJ will deny reinstatement unless it is determined that the group terminated due to Horizon BCBSNJ error.

Before we deny reinstatement to any group, we will ensure that:

- We have the correct mailing address on file.
- A bill was generated.
- A past due notice was generated.
- A termination notice was generated.
- Horizon BCBSNJ has not held the group's payment as "unallocated."

If a group requests reinstatement after two months (60 days) and the information listed above is confirmed, then the broker or group may bring the case to Ruth Rodriguez, manager, Accounts Receivable, (973-466-6793) or Vera Santos, coordinator, Accounts Receivable, (973-466-4815). Ruth and/or Vera will review the case and approve reinstatement, if warranted.

Please communicate to your clients the importance of paying their premiums in a timely manner. Termination and reinstatement of your client's coverage could result in accounting complications that may ultimately cause delays in your commission payments.

Your anticipated cooperation in this manner is appreciated. Should you have any questions, please contact your Horizon BCBSNJ sales executive.