## COB CALCULATION #1: When the Other Insurance payment is GREATER than what Highmark would have paid if primary

Claim example that compare	s Other Insurance compare	d to Highmark Insurance	e, with a provid	ler charge of \$1	<u>00:</u>		
		Other Insura	nce (OI)	Highmark Insurance (HMK)			
Provide	\$100	\$100		\$100			
Allo	\$90	\$90		\$50			
Member	\$30	\$30		\$10			
Insurance Payment (a	\$60		\$32 (80% of \$40)				
Member (	0		\$8 (20% of \$40)				
Total Member Liability (	\$30		\$18				
Using the same claim example, the following shows how coordination of benefits are applied based on the specific COB Model:							
COB Model	<u>Rule</u>	<u>Calculation</u>	Result	<u>It</u> <u>Total HMK Member Liability</u>			
NAIC Consistent COB	Other Insurance (OI)	\$ 32 (HMK Payment)	If negative, t	then no HMK	No HMK payment; \$18 credit applied towards HMK		
	payment is	- 60 (Ol Payment)	payment ma	ade to	deductible and coinsurance		

COB Model	<u>Rule</u>	<u>Calculation</u>	<u>Result</u>	Total HMK Member Liability
NAIC Consistent COB	Other Insurance (OI)	\$ 32 (HMK Payment)	If negative, then no HMK	No HMK payment; \$18 credit applied towards HMK
	payment is	- 60 (Ol Payment)	payment made to	deductible and coinsurance
	subtracted from the	\$- 28	provider; member liability	
	Highmark (HMK)		<b>credit</b> applied by HMK if	\$10 (HMK deductible)
	payment		HMK were primary	+ 8 (20%  of  \$40 = HMK Coinsurance)
				\$18 HMK Total Member Liability
Regular COB	HMK allowance is	\$30 (OI member	OI member liability	\$16 HMK payment:
	compared to OI	liability) <	amount is less than HMK	\$30 (HMK eligible amount)
	Member Liability	\$50 (HMK allowance)	allowance; HMK will	-10 (HMK deductible)
	amount; HMK will		consider \$30 eligible for	\$20 (80% of \$20)
	consider the lesser		payment	
	amount			\$14 Total HMK member liability:
				\$10 (HMK deductible)+4 (20% of \$20 - HMK Coinsurance)
Hard Non-duplication COB	Other Insurance	\$32 (HMK Payment)	If negative, then no HMK	No HMK payment; \$18 credit applied towards HMK
	payment is	<u>- 60</u> (OI Payment)	payment made to	deductible and coinsurance
	subtracted from the	\$- 28	provider; member liability	
	HKM payment		credit applied by HMK if	\$10 (HMK deductible)
			HMK were primary	+ 8 (20%  of  \$40 = HMK Coinsurance)
				\$18 HMK Total Member Liability
Soft Non-duplication I COB	Other Insurance	\$50 (HMK Allowance)	If negative, then no HMK	No HMK payment / No HMK credit applied
	payment is	<u>- 60</u> (OI Payment)	payment made; no HMK	
	subtracted from	\$- 10	credit applied	
	HMK allowance			
Soft Non-duplication II COB	Other Insurance	\$50 (HMK Allowance)	If negative, then no HMK	No HMK payment; \$18 credit applied towards HMK
	payment is	<u>- 60</u> (OI Payment)	payment made to	deductible and coinsurance
	subtracted from	\$- 10	provider; member liability	
	HMK allowance		credit applied by HMK if	\$10 (HMK deductible)
			HMK were primary	+ 8 (20%  of  \$40 = HMK Coinsurance)
				\$18 HMK Total Member Liability



## COB CALCULATION #2: When the Other Insurance payment is <u>LESS</u> than what Highmark would have paid if primary

		1111			C \$4.20		
<u>Claim example that compares</u>	ark Insurance, with a provider cha						
Drovidor Charge			Other Insurance (OI)		Highmark Insurance (HMK)		
Provider Charge Allowance			\$120 \$100		\$120 \$90		
Member Deductible			\$80			\$90 \$0	
Insurance Payment (allowance – deductible)			\$20			\$72 (80% of \$90)	
Member Coinsurance			0			\$18 (20% of \$90)	
	(deductible + coinsurance)		\$80			\$18	
Using the same claim example, the following shows how coordinate					d on the specific COB		
COB Model	<u>Rule</u>		<u>lation</u>	Result		Total HMK Member Liability	
NAIC Consistent COB	Other Insurance (OI) payment is subtracted from the Highmark (HMK) payment	<u>- 20</u> (0 \$52	HMK Payment) DI Payment)	If positive, then the calculated amount (\$52) is compared to the OI member liability (\$80). HMK pays the lesser amount to the provider at 100%; member liability credit applied by HMK if HMK were primary		\$52 = HMK Payment; \$18 credit applied towards HMK deductible and coinsurance \$18 (20% of \$90 = HMK Coinsurance) +0 (HMK deductible) \$18 HMK member liability	
Regular COB	HMK allowance is compared to OI Member Liability amount; HMK will consider the lesser amount	-	HMK allowance) > \$80 yment)	OI member liability amount is less than HMK allowance; HMK will consider \$80 eligible for payment		\$64 HMK Payment: \$80 (HMK eligible amount) -0 (HMK deductible) \$80 (80% of \$80=\$64) \$16 HMK member liability: \$0 (HMK deductible) +16 (20% of \$80 HMK Coinsurance)	
Hard Non-duplication COB	Other Insurance payment is subtracted from the HKM payment	-	HMK Payment) DI Payment)	calculate compai member HMK paramount 100%; credit a	ve, then the ted amount (\$52) is red to the OI er liability (\$80). ays the lesser t to the provider at member liability pplied by HMK if ere primary	\$52 = HMK Payment; \$18 credit applied towards HMK deductible and coinsurance  \$18 (20% of \$90 = HMK Coinsurance)  +0 (HMK deductible)  \$18 HMK member liability	



## COB CALCULATION #2 (continued): When the Other Insurance payment is LESS than what Highmark would have paid if primary

Claim example that compares (	Other Insurance compared to 1	Hiahm	ark Insurance, with a	provider ch	arge of \$120:		
elain example that compares other insurance compared to riigilina		Other Insurance (OI)		Highmark Insurance (HMK)			
Provider Charge			\$120		\$120		
Allowance			\$100		\$90		
Member Deductible			\$80		\$0		
Insurance Payment	(allowance – deductible)		\$20			\$72 (80% of \$90)	
Member Coinsurance			0			\$18 (20% of \$90)	
•	(deductible + coinsurance)		\$80	\$80		\$18	
Using the same claim example,	the following shows how coo	rdinati	on of benefits are ap	pplied based	on the specific CO	<u>B Model:</u>	
COB Model	<u>Rule</u>	<u>Calcu</u>	<u>llation</u>	<u>Result</u>		Total HMK Member Liability	
Soft Non-duplication I COB	Other Insurance payment is subtracted from HMK allowance		HMK Allowance) Ol Payment)	If positive, then the calculated amount (\$70) is compared to the OI member liability (\$80). HMK will consider \$70 eligible for payment		\$56 HMK Payment: \$70 (HMK eligible amount) -0 (HMK deductible) \$70 (80% of \$70=\$56) \$14 Total member liability: \$14 (20% of \$70 HMK Coinsurance)+ 0 (HMK deductible)	
Soft Non-duplication II COB	Other Insurance payment is subtracted from HMK allowance		HMK Allowance) Ol Payment)	compared HMK paym will pay the to the prov	then the amount (\$70) is to the original nent (\$72). HMK e lesser amount vider at 100%;	\$70 = HMK Payment; \$18 credit applied towards HMK deductible and coinsurance \$18 (20% of \$90 = HMK Coinsurance) +0 (HMK deductible)	



member liability credit

applied by HMK if HMK

were primary

\$18 HMK Total Member Liability