MRM MARLTON RISK MANAGEMENT

Claims Administrative Guide

The content in this Administrative Guide in no way changes or replaces any terms or provisions in the Carrier's Excess Loss Insurance Policy. The Excess Loss Insurance Policy is the binding agreement between the policyholder and the Carrier under which benefits are determined and rendered, not the Administrative Guide.

Claims Administrative Guide

Case Management / Potential Large Claim Alert

Overview

Our nation's healthcare delivery system is anything but simple. Most claims occur in a complicated context. The healthcare needs of a patient and their families require a caring and professional approach. Case management early intervention is beneficial for the patient, vendor and the claims process.

Third Party Administrators (TPAs) are encouraged to immediately identify potential large cases and recognize situations that warrant case management referral such as:

- Customer service representatives who respond to requests for verification of eligibility/benefits
- Vendors who provide pre-certification and concurrent review
- Claims examiners who recognize claim situations that require intervention

Potential Large Claim Alert

MRM Managements Excess Loss Insurance Policy requires written notice of a potential large claim within 10 business days of discovery. To provide written notice, please complete a Specific Excess Loss Claim / 50% or Catastrophic Diagnosis Notice form. Various formats of written notice are acceptable, for example case management reports. Please contact a MRM Management's claims office to inquire about other formats for written notice. Notices may also be submitted by secure email to claims@marltonriskmgmt.com.

You may refer to the following lists for sample services and diagnoses as a helpful reference for case management referrals and written notices of potential large claims:

- Dialysis
- Home infusion: including hyperalimentation, enteral, antibiotic, narcotic or chemotherapy
- Injection therapy other than insulin or vitamins
- Chemotherapy or radiation
- Premature birth at less than 34-week gestation or congenital anomalies
- Inpatient confinements greater than 7 days including acute rehabilitation or skilled nursing facility care & High-risk pregnancy or pre-term labor
- Home healthcare
- Private duty nursing
- Extensive durable medical equipment requests

ICD-10 DIAGNOSTIC CODES:

A00 - B99	**Certain infectious and parasitic disease**
A15.0 - A19.9	Tuberculosis of lung
A40 - A49	Streptococcal sepsis - Other sepsis
A80.0	Poliomyelitis
B15.0 - B19.9	Hepatitis
B20	HIV
B95.61 - B95.62	Methicillin Resist Infection Dx Elsewhere
C00 - D49	**Neoplasms**
C00 - C96	Maligant neoplasm
D00.0 - D09.9	Carcinoma in situ
D46 - D47	Myelodysplastic syndromes
D50 – D89	**Disease of the blood and blood forming and disorders involving the immune mechanism**
D57	Sickle-cell disorders
D59	Acquired hemolytic anemia
D60 - D64	Aplastic and other anemias
D65 - D69	Coagulation defects, purpura and other hemorrhagic condition
D70 - D77	Other diseases of blood and blood-forming organs
D80 - D89	Certain disorders involving the immune mechanism
E00 - E89	**Endocrine, nutritional and metabolic diseases**
E10 - E13	Diabetes mellitus
E15 - E16	Other disorders of glucose regulation and pancreatic internal secretion
E65 - E68	Obesity and other hyper alimentation
E70 - E89	Metabolic Disorders
F01 - F99	**Mental, Behavioral, and Neurodevelopmental disorders**
F10.1	Alcohol Abuse
F11.1	Opioid Abuse
F20	Schizophrenia
F31	Bipolar disorder
F32.3	Major depressive disorder, single episode, severe with psychotic feature
F33.1- F33.3	Major depressive disorder, recurrent
F84.0	Autistic Disorder
F84.2	Rett's Disorder
F84.5	Asperger's disorder
G00 - G99	**Disease of the nervous system**
G00	Bacterial Meningitis
G04	Encephalitis Myelitis and Encephalomyelitis.
G06 - G07	Intracranial and intraspinal abscess and granuloma
G12.21	Amyotrophic lateral Sclerosis
G20 - G35	Parkinson’s Disease, Multiple Sclerosis
G36	Other Acute Disseminated Demyelination
G37 - G40	Other Demyelinating disease of the central nervous system, Epilepsy
G71.G8 - G82.5	Muscular Dystrophy, Cerebral Palsy, Quadriplegia
G83.4	Cauda Equina Syndrome
G92.0 - G93.1	Toxic Encephalopathy, Brain Death, Anoxic Brain Injury Macular
H35.3	**Degeneration**
I00 - I99	**Diseases of Circulatory System**

I20	Angina Pectoris
I21.09 - I22	Acute myocardial infarction
I24	Acute and Subacute Ischemic Heart Disease
I25	Chronic Ischemic Heart Disease
I26	Pulmonary embolism
I27	Other pulmonary heart disease
I28	Other diseases of pulmonary vessels
I30 - I31	Pericarditis
I33 - I41	Endocarditis, Heart Valve Disorders, & Myocarditis
I42 - I43	Cardiomyopathy
I44 - I45	Conduction Disorders
I46	Cardiac Arrest
I47 - I49	Cardiac Dysrhythmias
I50.0 - I51.7	Heart Failure, Cardiomegaly
I60 - I61	Subarachnoid Hemorrhage / Intracerebral Hemorrhage
I63	Cerebral infarction
I65.80 - I66	Occlusion of Precerebral / Cerebral Arteries
I67	Other cerebrovascular disease
I70.0 - I77.5	Atherosclerosis/ Aortic Aneurysm, Thoracic aneurysm
J00 - J99	**Diseases of the Respiratory System**
J40 - J49	Chronic Obstructive Pulmonary Disease (COPD)
J84.10 - J84.89	Post inflammatory Pulmonary Fibrosis
J98.11 - J98.4	Pulmonary Collapse / Respiratory Failure
K00 - K95	**Diseases of Digestive System**
K22	Esophageal Obstruction
K25 - K28	Ulcers
K31	Other diseases of stomach & duodenum
K50	Crohn's disease
K51	Ulcerative colitis
K55 - K64	Diseases of intestine
K65 - K68	Disease of peritoneum & retroperitoneum
K70 - K77	Diseases of liver
K83	Diseases of biliary tract, Diseases of pancreas
K85 - K86	Diseases of biliary tract, Diseases of pancreas
K90 - K95	Other diseases of digestive system / Complications of bariatric procedures
L03 - L89	**Cellulites, Pressure Ulcer**
M00 - M99	**Diseases of Musculoskeletal System & Connective Tissue**
M15 - M19	Osteoarthritis
M31.30 - M32	Systemic lupus erythematosus, Wegener's Granulomatosis
M34	Systemic sclerosis
M41	Scoliosis
M43	Spondylolysis
M50	Cervical disc disorders
M51	Thoracic, thoracolumbar & lumbosacral intervertebral disc disorders
M72.6	Necrotizing Fasciitis
M86 - M87	Osteomyelitis

N00 - N99	**Diseases of the Genitourinary System**
N00 - N01	Acute and Rapidly Progressive Nephritic Syndrome Chronic
N03	Nephritic Syndrome
N04	Nephrotic Syndrome
N05 - N07	Nephritis and Nephropathy
N08	Glomerular Disorders classified elsewhere
N17	Acute Kidney Failure
N18 - N19	Chronic Kidney Disease (CKD), Renal Failure Unspecified
N81	Female Genital Prolapse
O00 - 09A	**Pregnancy, Childbirth and the puerperium**
O09	High Risk Pregnancy
O11	Pre-Existing Hypertension and Pre-Eclampsia
O14 - O15	Pre-Eclampsia and Eclampsia
O20 - O30	Hemorrhage in early pregnancy, Multiple Gestation
O31 - O60	Other Complications Specific to Multiple Gestations, Pre-Term Labor
P00 - P96	**Certain conditions originating in the perinatal period**
P07	Disorders of newborn related to short gestation and low birth weight
P10 - P15	Birth Trauma
P19	Fetal Distress
P23 - P28	Other respiratory of newborn
P29	Cardiovascular disorders originating in the perinatal period
P36	Bacterial sepsis of newborn
P52 - P53	Intracranial hemorrhage of newborn
P77	Necrotizing enterocolitis of newborn
P91	Other disturbances of cerebral status newborn
Q00 - Q99	**Congenital malformation, deformations and chromosomal abnormalities**
Q00 - Q07	Congenital malformations of the nervous system
Q20 - Q26	Congenital Cardiac malformations
Q41 - Q45	Congenital Anomalies of Digestive system
Q85	Phakomatoses, not classified elsewhere
Q87	Congenital malformation syndromes affecting multiple systems
Q89	Other Congenital malformations
R00 - R99	**Symptoms, signs and abnormal clinical and laboratory findings, not classified elsewhere**
R07.1- R07.9	Chest Pain
R40 - R40.236	Coma
R57 - R58	Shock, Hemorrhage
R65.20 - R65.21	Severe sepsis
S00 – S98	**Injury, Poisoning and Certain Other Consequences of External Causes**
S02	Fracture of skull and facial bones
S06	Intracranial injury
S07	Crush injury to head
S08	Avulsion and traumatic amputation of part of head
S12 - S13	Fracture and Injuries of cervical vertebra and other parts of neck
S14 - S14.150	Injuries of nerves and spinal cord at neck level

S22.0	Fracture of thoracic vertebra
S24	Injury of nerves and spinal cord at thorax level
S25	Injury of blood vessels at thorax level
S26	Injury of heart
S32.0 - S32.2	Fracture of lumbar vertebra
S34	Injury of lumbar and sacral spinal cord and nerves
S35	Injury of blood vessels at abdomen, lower back and pelvis
S36 - S37	Injury of intra-abdominal organs
S48	Traumatic amputation of shoulder and upper arm
S58	Traumatic amputation of elbow and forearm
S68.4- S68.7	Traumatic amputation of hand at wrist level
S78	Traumatic amputation of hip and thigh
S88	Traumatic amputation of lower leg
S98	Traumatic amputation of ankle and foot
T20 - T32	**Burns and corrosions of multiple body regions**
T81.11 - T81.12	Postprocedural cardiogenic and septic shock
T82	Complications of cardiac and vascular prosthetic devices, implants And grafts
T83 - T85	**Complications of prosthetic devices, implants and grafts**
T86	Complications of transplanted organs or tissues
T87	Complications to reattachment and amputation
Z00 - Z99	**Factors Influencing Health Status and contact with Health Services**
Z37.5- Z37.6	Multiple Births
Z38.3- Z38.8	Multiple Births
Z48 - Z48.298	Encounter for aftercare following organ transplant
Z49	Encounter for care involving renal dialysis
Z94	Transplanted organ and tissue status
Z95	Presence of cardiac and vascular implants and grafts
Z95.85	Transplanted organ removal status
Z99.1	Dependence on respirator
Z99.2	Dependence on dialysis

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GUIDELINES FOR REIMBURSEMENT OF CASE MANAGEMENT SERVICES

MRM Management continues to strive to support the highest quality cost containment services available to our valued customers. This includes reimbursement of case management fees when the following conditions are met:

- Notification must be provided as soon as it's known or anticipated that a case will exceed the individual deductible.
- The individual deductible must be met.
- Case management reports must be supplied on a monthly basis along with each invoice.
- MRM Management must agree that the impact does substantiate continued case management.
- Vendor invoices must be itemized indicating the type of case management activity performed.

COST CONTAINMENT RESOURCES

Advances in medical technology have increased healthcare costs. To assist in alleviating such costs, MRM Management uses outside vendors to include:

- Bill re-pricing
- Discount negotiations
- Bill audits
- Case management vendors
- Specialty vendors for:
  - ☐ Perinatal/neonatal services
  - ☐ Dialysis treatment
  - ☐ Transplant network options
- Pharmacies: injections and infusions

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SPECIFIC EXCESS LOSS CLAIMS

OVERVIEW

The goal of the excess loss claim department is to provide our customers with fast and accurate claim reimbursement along with excellent customer service. Our staff endeavors to provide professional claim management and to be a resource to our participating employers and their third-party administrators (TPAs).

CLAIM SUBMISSION DOCUMENTATION REQUIREMENTS

If you wish to submit a claim, please complete our Individual Excess Loss Reimbursement Request Form and include:

- Computer print-out of detail paid claim report that includes:
- Employee name
- Employee ID number
- Claimant name
- Paid Claims Reports
  - To and from dates of service
  - CPT codes, HCPCS codes, and hospital revenue codes
  - Diagnosis code
  - Amount charged, amount allowed, discount amount and amount paid
  - Provider name or Identification number
  - Check and processing dates
- Copy of the original enrollment card/form including hire date and coverage effective date
  (screen prints of electronic enrollment forms are acceptable)
- Applicable eligibility information:
  - Work status (i.e., active, retired, FMLA, medical leave of absence, etc.)
  - Termination date
  - Last date worked
  - Return to work date
  - FMLA effective date and end date
  - Copy of COBRA Election Form
  - Medicare effective date and qualifying event
  - Other information needed, if applicable:
  - UB-04 for inpatient and outpatient bills over $100,000 (screen prints with itemization by revenue codes acceptable)

- Hospital pre-certification
- Copies of bills for any services from a single provider over $50,000
- Other insurance information
- Date and details of accident

Note: MRM Management reserves the right to modify the claim submission requirements listed above.

MISSING CLAIM DOCUMENTATION

Occasionally we receive a reimbursement request claim and find additional information is needed in order to make a reimbursement decision. When this occurs, the claim is placed in pending status. We immediately contact the TPA representative who submitted the claim, by phone, email or fax to request the necessary information. We follow up in two weeks if the information requested has not been received. Thanks to the cooperation of our TPA contacts, it is a very small number of claims that are held more than 1 or 2 days waiting for additional information. It often depends on how readily available the information is to our TPA contact.

Eligibility, other insurance and accident information are the top 3 reasons claims are placed in pending status. You can help us avoid pending claims by including all of the applicable information found listed in our Claim Submission Documentation Requirements section when filing your request for reimbursement.

ADVANCE FUNDING REQUIREMENTS

Advance funding is available to our policyholders as an optional endorsement. MRM Management's Excess Loss Insurance Policy Schedule of Benefits will indicate if the policy includes this endorsement. The following provisions must be satisfied for advance funding:

- Claims up to the individual deductible for a covered person must be paid.
- Covered expenses eligible for advance funding are those that exceed the sum of the individual deductible.
- Claims submitted for advance funding must be adjudicated by the administrator before the policy period ends and according to all provisions in the approved plan document.
- Requests for advance funding must total more than $2,000 per covered person.
- The Advanced Specific Payment Benefit will not be payable for any claims eligible for payment during the 31 days preceding the date of termination of the Policy.
- You must pay covered expenses within 5 working days after receiving our funds for those expenses. Payment within this time period will be deemed to constitute payment within the policy period, even if your payment occurs after the end of the policy period. If you do not pay the covered expenses within this time period, the advance funding amount must be refunded to us.
- If any advance funds are not used to pay covered expenses due to any type of discounting, these amounts must be refunded to us within 5 working days.

Note: Individual Excess Loss Claims are not subject to any state or federal mandated claim turnaround time requirements applicable to group health plans. Compliance with such requirements is the responsibility of the plan administrator.

REIMBURSEMENT PAYMENT OPTION

Automated Clearing House (ACH) is an alternative method of receiving reimbursement payments. The greatest advantage of ACH is the elimination of check mail time. The reimbursement will be deposited the 2nd day following the completion of our claim audit. A copy of the reimbursement explanation of benefits is emailed to the Third-Party Administrator the day before the deposit is made.

Information necessary for EFT:

- Bank account number
- Bank routing number

If a Policyholder would like to receive their reimbursement payments by ACH, simply contact our office for further instructions. ACH will be available within 14 business days. Please note: It is important to notify our office immediately of any banking changes that will affect the ACH.

If for some reason you need a paper check for a claim after we have your ACH established, you can note it on the reimbursement request form or contact your MRM Management's claims office.

FEE REIMBURSEMENTS

Because of benefits achieved, we may reimburse fees for negotiated discounts, PPO Network access and "prompt pay" discounts of eligible claims that exceed the individual deductible up to a maximum of 25% of savings, with a maximum of $25,000 per negotiation fee.

DISCLOSURE

For all business, MRM Management underwriting requires the participating employer to complete and sign a disclosure statement. Upon receipt of the initial individual request for reimbursement, we review the disclosure statement to determine if the claimant is listed. When listed, we continue with our normal claim audit process. When the claimant is not listed, we may review the documentation received with the claim submission or request additional information to determine:

- Did the claimant incur medical expenses which exceed the lesser of the amount specified on the disclosure statement or 50% of the individual deductible amount during the twelve-month period prior to the date the disclosure statement was signed?
- Did the claimant have any potentially catastrophic losses identified in the list on the reverse side of the disclosure statement?
- Was the claimant disabled?

If the claimant satisfies one or all of the above, we will contact the underwriter to determine whether or not this was an acceptable risk. If unacceptable, the claimant is not covered and reimbursement will be denied.

PLAN DOCUMENTS

MRM Management's Excess Loss Insurance Policy requires receipt of the signed Plan Document before we can reimburse individual and/or aggregate excess loss claims. If a claim is received prior to receiving the signed Plan Document, the claim reimbursement will be held until it is received.

CLAIM DECISION APPEALS

We welcome additional information that may impact a claim decision we have made. Please send your written appeal to the examiner identified on the Explanation of Benefits. Include your position regarding the appeal and applicable supporting documents. Our goal is to respond within a maximum 15 business days from the receipt of your appeal.

SUBROGATION CLAIMS

The subrogation and/or right of reimbursement provisions of the policyholder's plan document allow the plan to recover medical expenses paid for a covered participant's injuries when those injuries resulted from the actions of a third party. The plan document may also address recovery from a covered participant's own insurance coverage.

Our excess loss insurance policy also contains a subrogation provision that grants us the right of first recovery up to the amount we've reimbursed if the policyholder later receives a recovery on those claims. This applies regardless of whether the policy is still in force. Repayment to MRM Management must be made within 30 days of receipt of a recovery.

IDENTIFICATION OF POSSIBLE SUBROGATION SITUATIONS

Industry data show that anywhere from 2-5% of annual paid claims are potentially recoverable through subrogation. Cost containment depends on early identification of possible subrogation situations. We recommend the following:

- Accident questionnaires should be sent out if the ICD-10 or CPT codes suggest injuries may have been due to an accident.
- A reimbursement agreement should be obtained when the plan language requires it.

WHAT WE NEED

- Include copies of all documentation pertaining to COB, accident and subrogation at the time you submit the reimbursement request to us.
- Indicate the name of the subrogation recovery firm your company uses if your firm outsources this process; include a contact name at that company.

AGGREGATE EXCESS LOSS CLAIMS

CLAIM SUBMISSION DOCUMENTATION REQUIREMENTS

If a participating employer has exceeded the aggregate attachment point at the end of the policy period, please complete our Aggregate Excess Loss Request for Reimbursement form and:

- Complete the upper portion of the form which identifies the employer, policy number and reimbursement period.
- Attach supporting documents (these can be submitted in electronic form):
  - Paid claim report
  - List of individual (specific) claims paid
  - List of extra-contractual payments
  - List of voided checks and refunds
  - Monthly check register
  - Fund account statement
  - Eligibility listing
- Complete the portion of the form which identifies total claims paid, individual claims paid, annual attachment point and reimbursement amounts.
- Be sure to sign, date and provide current address on the lines at the bottom of the form.

Note: MRM Management reserves the right to modify the claim submission requirements listed above.

AGGREGATE AUDIT PROCESS

An audit is conducted when we receive a request for reimbursement under the aggregate provisions of MRM Management's Excess Loss Insurance Policy. Upon receipt of the Aggregate Excess Loss Request for Reimbursement form, we will review the information to determine whether the audit will be conducted as a desk or on-site audit.

Desk audits are determined by the amount of the reimbursement request. For all aggregate reimbursement requests we verify your calculation, review the source documents supporting the request and then ask the following questions:

- Is the dollar amount of total paid claims correct?
- Is the Individual claim deduction correct?
- Was the annual attachment point calculated correctly?

For on-site audits we will request a sampling of claims. We then verify that benefit payments were made within the provisions of the MRM Management approved plan document and amendments and among other things, the following:

- Is file documentation adequate?

- Are all claimants eligible?
- Is there appropriate investigation of possible pre-existing conditions, coordination of benefits and subrogation?
- Are deductibles and coinsurance applied correctly?
- Are pre-certification penalties applied?
- Are PPO discounts applied correctly?

AGGREGATE ATTACHMENT POINT

MRM Managements Excess Loss Insurance Policy describes the two methods of calculating the aggregate attachment point when there is an aggregate claim. Below is the excess loss policy provision followed by illustrations of how the aggregate attachment point is affected. The policy states:

The Aggregate Attachment Point is equal to the greater of:

- The sum of the Monthly Aggregate Attachment Points for the Policy Period shown on the Schedule; or
- The Minimum Aggregate Attachment Point shown on the Schedule.

If the Aggregate Excess Loss benefit terminates before the end of the Policy Period, the Minimum Aggregate Attachment Point is equal to the greater of:

- The sum of the Monthly Aggregate Attachment Points to the date of termination; or
- The Minimum Aggregate Attachment Point shown on the Schedule."

The Monthly Aggregate Attachment Point in any Policy Month cannot be less than 95% of the Monthly Aggregate Attachment Point for the immediately preceding Policy Month.

MONTHLY AGGREGATE ACCOMMODATION PROVISION

When this coverage is purchased, it protects the policyholder who has paid unexpectedly high claims during the policy period. Without the provision, the policyholder would have to wait until the end of the policy period to receive any reimbursement.

The monthly aggregate accommodation provision will not apply during the last month of the policy period or during the run-out period.

At the end of the policy period, the same calculation is made to determine if all or part of the monthly accommodation must be repaid.

If all must be repaid to MRM Management, the policyholder must repay within 31 days of receiving written notice from us. If partial repayment or no repayment is due to MRM Management, then an onsite audit could be scheduled. The provision gives us the right to request a refund, if due, at the end of any month during the policy period.

TPA FORMS

Aggregate Excess Loss Request for Reimbursement

Request of MRM Management to reimburse the plan for Aggregate claim amounts above the attachment point specified under the Excess Loss policy.

Aggregate Monthly Status Report

Notification to MRM Management with a monthly policy status summary on aggregate coverage.

Specific Stop-Loss Claim / 50% or Catastrophic Diagnosis Notice

Request of MRM Management to reimburse or advance fund the plan for claims on individual employees covered under the Excess Loss policy. Also used to notify MRM Management of any individual that hits or exceeds 50% of the Group's Specific Deductible *OR* has a catastrophic diagnosis.

CONTACT INFORMATION

457 Oakshade Rd., Suite 1 Shamong, NJ 08088
Phone (800) 316-3049

Day to Day Management Team

Mike Sebastian, Managing Member/CEO-Underwriting (mike@marltonriskmgmt.com)
Scott Lower, Member/President Underwriting (scott@marltonriskmgmt.com)
Joel McKeever, Vice President Underwriting (joel@marltonriskmgmt.com)
Kim Sebastian, Underwriting (kim@marltonriskmgmt.com)
Rick Shrifin, Claims Consultant (rick@marltonriskmgmt.com)
Jessica Pellegrino, Claims, Stop Loss Coordinator-Premium, Licensing (jessica@marltonriskmgmt.com)
Cheryl Pellegrino, VP of Internal Operations (cheryl@marltonriskmgmt.com)

Carriers that MRM Management Represents

Fidelity Security Life Insurance Company
AM Best Rating-A Excellent
Claims Authority on behalf of Fidelity Security Life Insurance Company:
$100,000

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