



## **Grace Periods and Claims Pending Policies during Grace Period**

### **Grace Period**

A short period after your monthly health insurance payment is due. If you have not made your payment, you may do so during the grace period and avoid losing your health coverage.

### **Paying your Membership Premium**

When you purchase coverage under the Plan, you pay the Premium on a monthly basis. Payment for the Premium is due the first day of each month for which coverage is provided. No grace period applies to the Binding Premium Payments.

### **Members Not Receiving Tax Credits**

For Premiums owed following the Binding Premium Payments, if you do not pay the Premium in full on or before the first day of the month for which Coverage is provided, you will have a 31-day grace period to pay the outstanding Premium owed. During the grace period, your coverage will not lapse. If we do not receive the full Premium by the end of the grace period, then we will terminate your coverage under the Plan and this Agreement. Except as described in your Member Benefit Agreement, we will not allow reinstatement after the grace period ends. We reserve the right to take necessary steps to collect outstanding Premiums.

### **Members Receiving Tax Credits**

Members who receive Advanced Premium Tax Credits (within the Marketplace) and have made the Binding Premium Payment, but who subsequently fail to pay the Premium in full on or before the first day of the month for which Coverage is provided, will have a three-month grace period to submit full payment of outstanding Premium due. Health Options will pay appropriate claims for the first month of the grace period only. Health Options will hold claims during the remainder of the grace period.

Health Options will stop holding claims when the full Premium amount owed is paid in full prior to the end of the grace period. If the full Premium amount owed is not paid in full prior to the end of the grace period, Health Options will terminate coverage under the Plan and per the terms of your Member Benefit Agreement. The Member will be responsible for paying for any services received during the final two months of the grace period.

### **Third-Party Payment of Premium**

There may be instances where someone other than the Member pays the Member's Premium under this Agreement. This is called "third-party payment of Premiums."

Health Options will permit Members' family members, Designees, and legal representatives to pay Premiums on behalf of Members. Health Options will also permit Ryan White HIV/AIDS Programs; Indian tribes, tribal organizations, and urban Indian organizations; state, federal and local government programs; and private, nonprofit foundations approved by Health Options to make Premium payments on behalf of Health Options Members.

If a Provider, pharmaceutical company, or other commercial health care entity submits a payment for a Premium on behalf of a Member, Health Options reserves the right to reject such payments, whether paid directly or indirectly by the entity. We will notify you if we have rejected this type of payment. If we reject a third-party Premium payment, you will continue to owe any Premium due as required under this Agreement.

### **Premium Changes**

Health Options files rates with the applicable State and Federal regulatory bodies on an annual basis. Rates are approved for the Calendar Year. Health Options Members will be given at least 60 days' notice of any changes to existing rates for their effective plan. Members that enroll in the last quarter of the Calendar Year should check the following year's rates during Open Enrollment.