

Insurers, HMOs and PHSPs must use one of the three options below when notifying providers that a claim has been pended because an individual who is covered in the New York State of Health and is receiving an advanced premium tax credit is in the three month grace period for non-payment of premiums.

PEND NOTICE OPTION 1

Member name:
ID:
Date of service:
Total charge:

Dear [Provider name],

Under the federal Patient Protection and Affordable Care Act, if an individual purchases health insurance through New York State of Health, which is New York’s health insurance marketplace, and receives a subsidy to assist with premiums, that individual has a three-month “grace period” to make premium payments. During the grace period, insurance companies may not disenroll members. However, during the second and third months of the grace period, insurers may pend the processing of claims, and ultimately deny such claims, if the premium is not paid by the end of the grace period.

This letter serves as notice to you that the member referenced above and any covered dependents have entered the second or third month of their grace period.

What this means to you

- The claim referenced above has been pended, as permitted by federal law and the New York prompt pay law.
- Any additional claims incurred by this member and any covered dependents during the second and third months of the grace period will also be pended.
- If the premium is paid in full by the end of the grace period, any pended claims will be processed in accordance with the terms of the member’s contract.
- If the premium is not paid in full by the end of the grace period, this claim, and any others incurred during the second and third months of the grace period, will be denied. Thereafter, you may seek payment directly from the member for any claims denied due to nonpayment of premium.

If you have questions, please call us toll-free at XXX-XXX-XXXX.

PEND NOTICE OPTION 2

Dear [Provider name]:

We received a claim for [Member name], [ID#] for [\$\$ amount] for [Date of Service].

Individuals enrolled in New York State of Health who receive an advanced premium tax credit have a three-month “grace period” to pay their premiums. We will pay claims incurred by covered members during the first month. During the second and third months of the grace period, we will pend claims if the premium hasn’t been paid.

The member referenced above is not current with his or her premium payment. Accordingly, we cannot process this claim at the present time. If we receive the premium payment within the grace period, we will process this claim. If we do not receive the premium payment by the end of the grace period, we will deny this claim and any other claims incurred during the second and third months of the grace period. Thereafter, you may seek payment directly from the member for any claims denied due to nonpayment of premium.

If you have questions, please call us toll-free at 1-XXX-XXX-XXXX.

PEND NOTICE OPTION 3

This claim is pended because the member’s premium payment is more than one month delinquent. If we do not receive the member’s payment within three months from the date it was due, coverage will cease and this claim will be denied. You may bill the member for claims denied for premium nonpayment.

[Drafting Note: If pend option 3 cannot be used in an electronic communication because space is an issue, contact the DFS Health Bureau.]