



Important Notice to Our Providers

Medicare Advantage Sequestration – Explanation of Payment (EOP)

As indicated in prior communications, Universal American will be applying the CMS directed 2% reduction to provider payments for claims with dates of services on and after May 1, 2013. As these claims are released for payment and this reduction is applied, you will see the following impact to the Explanation of Payment (EOP).

The 2% will be applied on the claim line 'Net Amount', thereby reducing this value. This value is the last column on the EOP and reflects reductions from the 'Allowed' value due to Member cost share and Coordination of Benefits applied. From the example below, the Net Amount on line 1 for Dates of Service (DOS) 04/05/13 was not reduced given the DOS was prior to CMS Sequestration enforcement. However the Net Amount on line 2 for DOS 05/10/2013 was reduced by 2% (from \$15.60 to \$15.29) since the DOS was after May 1, 2013. If you add-up the Net Amount for both lines you will get the same value as is posted in the Net Payment of \$30.89.

Service Dates	Rev	Proc	Unit	Amt Billed	Allowed	Prov Resp	Remark Codes	Pat Resp	Copay	Co-Ins	Patient Deductible	COB Applied	Net Amt
04/05/13 - 04/05/13		99213TC	1	234.00	15.60	218.40	809	0.00	0.00	0.00	0.00	0.00	15.60
05/10/13 - 05/10/13		99213TC	1	234.00	15.60	218.40	809	0.00	0.00	0.00	0.00	0.00	15.29
				468.00	31.20	436.80		0.00	0.00	0.00	0.00	0.00	30.89
Claim Totals													30.89
Interest Amount		0.00				Subscriber Payment		0.00				Net Payment:	30.89
Prompt Pay Discount		0.00				Previous Amount Paid		0.00					

It is important to remember that any Member cost-share and Coordination of Benefits (COB) applied will be taken into account prior to the Net Amount reduction on effected claim lines. In the example below, a \$5.00 cost-share was applied to both lines with the DOS after May 1, 2013. This results in Net Amounts of \$4.90 and \$10.39 which sum to the Net Payment of \$15.29.

Service Dates	Rev	Proc	Unit	Amt Billed	Allowed	Prov Resp	Remark Codes	Pat Resp	Copay	Co-Ins	Patient Deductible	COB Applied	Net Amt
05/05/13 - 05/05/13		923326	1	234.00	10.00	224.00	809	0.00	5.00	0.00	0.00	0.00	4.90
05/10/13 - 05/10/13		99213TC	1	234.00	15.60	218.40	809	0.00	5.00	0.00	0.00	0.00	10.39
				468.00	25.60	442.40		0.00	10.00	0.00	0.00	0.00	15.29
Claim Totals													15.29
Interest Amount		0.00				Subscriber Payment		0.00				Net Payment:	15.29
Prompt Pay Discount		0.00				Previous Amount Paid		0.00					

Finally, the sum of all claim Net Payments is the value that is posted to your Check Amount on the EOP header and the associated check.

For more information about how sequestration affects you, please call Provider Services at:

- TexanPlus HMO/HMO-POS (Houston-Beaumont Area):1-866-230-2513
- TexanPlus HMO/HMO-POS (Dallas Metroplex Area):1-800-958-2707
- Today's Options PPO:1-866-422-5009
- Today's Options PFFS:1-866-568-8921
- Tribute HMO SNP:1-800-817-3515