

# Premium Billing

BeWell Essentials: Part 7 of 8



# Introduction

The monthly premium is the money consumers pay each month to keep their insurance coverage. The amount they pay each month will depend on several things, including how much money they make each year, their tax household, and the plan they choose. Soon after getting enrolled, they will get a bill for their monthly premium. This training explains the premium billing process offered by BeWell.

# Main Topics

- Invoices
- Payment due dates
- New enrollment and carrier effectuation
- Premium and advance payments of the premium tax credit (APTC) payment flow
- Grace periods
- Paying for premiums
- Contact information

# Invoices

- Invoices are generated on the 5th of the month prior to the month of coverage (e.g., May 5th for June coverage).
  - Invoices include:
    - Current charges;
    - Outstanding balance;
    - Adjustments; and
    - Subsidies, including the advance payments of the premium tax credit (APTC) and other state subsidies.
  - Invoices are sent to consumers based on their communication preference (by mail or electronic delivery). Invoices are also uploaded to the consumer's account Message Center.

# Invoices (Continued)



- Invoices at renewal:
  - The January renewal invoice will include the new premium amount due for January and any outstanding premium payments from the previous plan year.
  - The invoice will reflect the new carrier if the consumer selects one.
  - Payments received are applied to the oldest charge (i.e., the past-due premium), then any remainder is applied to the January premium. A consumer cannot pay the January payment first.

# Payment Due Dates (1 of 3)



- Initial payment (also known as the “Binder Payment”)
  - For both the Open Enrollment Period (OEP) and Special Enrollment Periods (SEP), premium payments are due the last day of the month before the month of coverage.

# Payment Due Dates (2 of 3)



- Ongoing payments:
  - Due on the last day of the month prior to the coverage month (e.g., April 30th for May coverage)
- Payment at Renewal:
  - Binder payments are not required at renewal; payment will be due on the last day of the month prior to the coverage month.
- Recurring payments are processed for the following coverage month. Payments are processed on:
  - The 18<sup>th</sup> of the month for ACH (automated clearing house) payments
  - The 19<sup>th</sup> of the month for credit/debit card payments
- Payments may take up to two business days to reflect in the consumer's online account

# Payment Due Dates (3 of 3)



- Renewal and past-due premiums:
  - If a consumer is auto-reenrolled (or actively re-enrolls), outstanding premiums for the current coverage year must be paid in full before the renewal year coverage can take effect.
  - Consumers in a grace period during the OEP may renew but can be terminated for non-payment retroactive to the previous plan year.

# New Enrollment and Carrier Effectuation

Consumer enrolls and pays their 1st month's premium

Enrollment status is updated to "Submitted"

Enrollment is sent to the carrier via 834 transaction the following day

Enrollment status changes from "Submitted" to "Pending Confirmation"

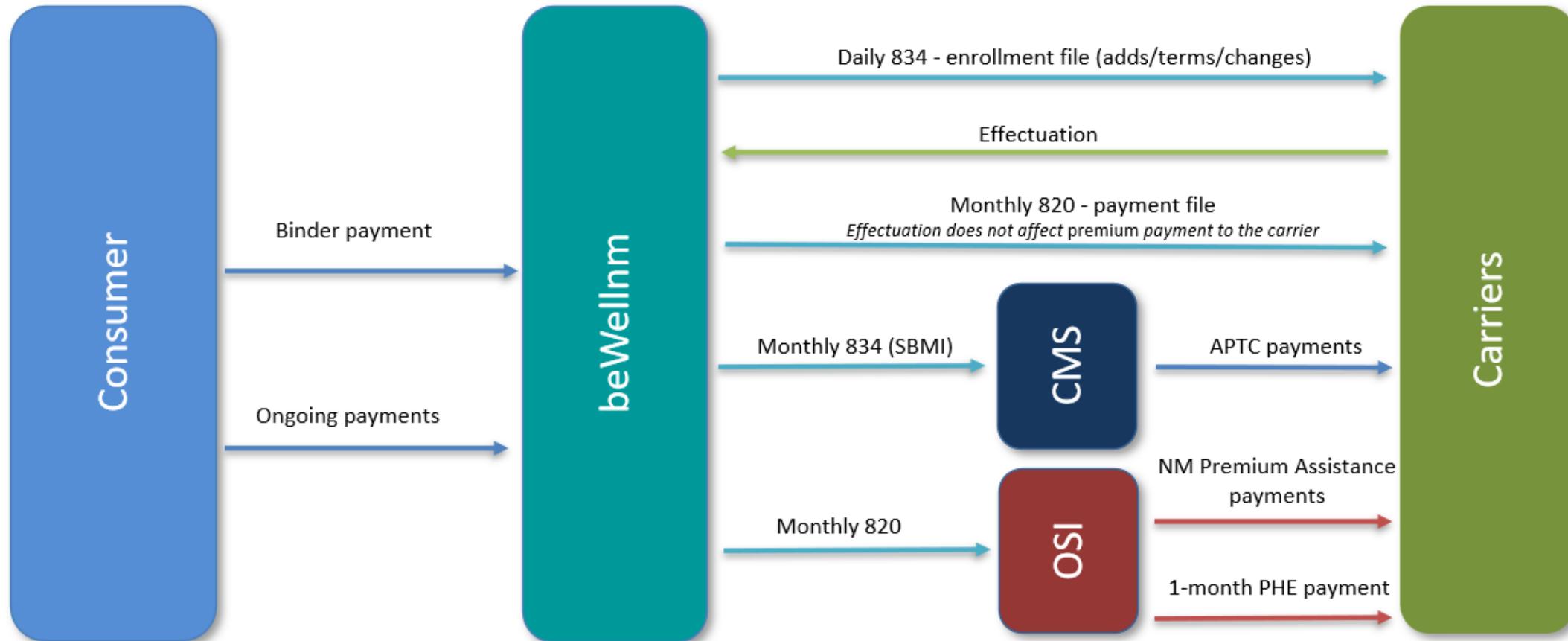
*\*834s sent daily*

Carrier enrolls the consumer and sends an effectuation to BeWell

Enrollment status is changed from "Pending Confirmation" to "Enrolled"

Consumer continues to make monthly premium payments for continuous enrollment

# Premium and APTC Payment Flow



# Grace Periods

- Consumers are provided a grace period if they fail to make on-going premium payments.
- Grace periods are different for consumers that receive a premium tax credit (PTC):
  - With APTC: 90 days
  - Without APTC: 30 days
- Grace periods are not provided for the initial premium payment (the binder payment). If this payment is not made before the due date, coverage will be canceled.

# Paying Premiums

- Online
  - Under 'Payments' in the consumer's online account.
- Mail

New Mexico Health Insurance Exchange  
PO Box 26508  
Albuquerque, NM 87125-6508

- Include the payment coupon on the invoice.
  - Allow 5-7 business days for mailing and processing.
- Phone
  - 1-833-862-3935
    - Option 4 to pay by phone.
    - Option 5 to speak with an agent or premium billing specialist.

# Key Points

- Invoices are generated on the 5th of the month prior to the month of coverage.
- Premium payments are due by the last day of each month before the first month of coverage.
- There are many ways to pay a monthly premium:
  - Recurring payments
  - Online payments
  - Pay by phone
  - Pay by mail



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