Blue Cross and Blue Shield of Alabama's
Early Retiree Reinsurance Program Process

Blue Cross and Blue Shield of Alabama is ready to assist groups with information needed to apply for the Early Retiree Reinsurance Program (ERRP). Upon request, you will be provided with three detailed files: ERRP Enrollment Data, Medical Claims Data and Pharmacy Claims Data (if applicable). The data contained in these files will be based on the populations that reside in the group numbers and/or divisions as specified by you to be used in the ERRP process. All files will be made available for downloading via an FTP site.

The Enrollment Data file format will contain most of the fields required by the Department of Health and Human Services (HHS), but may require some editing by the user depending on the data that is available in our system (i.e., Social Security number). There will be some fields that you will have to supply because they are not available to us. When you receive this file, it will be required that you add this additional information (i.e., application i.d.). When the data has been reviewed, you can begin the claims aggregation process to determine the list of eligible members to submit to HHS via the secure website. Once HHS has processed the file and appended additional information such as reason codes, ERRP effective dates, and ERRP termination dates, you will be able to download it for use in preparation of your reimbursement requests. These enrollment files will be provided on a monthly basis.

Unfiltered, detailed Medical Claims Data files and Pharmacy Claims Data files (if applicable) will also be provided for the very same population that is used to create the Enrollment Data file. You can use these files as your claims source to run against when you download the eligibility response files from HHS. These response files from HHS will be the basis by which you can filter the appropriate claims information you will be submitting to HHS for reimbursement. Claims files will be provided on a monthly basis with the most recent month of claims being appended to the previous month's files.

There are certain drugs that are non-covered by Medicare. Claims for these types of services are not eligible for ERRP. To the best of our ability, Blue Cross will flag claims that appear to be ineligible. There are also certain other items and services that are not covered by Medicare and will not be eligible for reimbursement under ERRP. A list of these items and services has been released and a detailed list of codes that corresponds with these exclusions has been posted on the ERRP website. Blue Cross will make a good faith effort to flag these claims as ineligible. Flagging non-covered drugs and other services will allow you to filter these claims out as you deem appropriate before making your submission.

Groups can apply for and receive reimbursement for plan years that start before June 1, 2010, provided they end after that date. In these cases, claims incurred before June 1, 2010, count toward the cost threshold and the cost limit. Claims incurred between the start of the plan

year (often January 1) and June 1, are credited toward the $15,000 threshold for reimbursement. However, only medical expenses incurred after June 1, 2010, are eligible for reimbursement under this program. The claims files that will be provided will include first-dollar costs because groups that have carve-out claims from other vendors will have to aggregate these claims sources before determining the $15,000 threshold. You will need to take precautionary steps to ensure that any claims incurred prior to June 1, 2010, that exceed the $15,000 threshold are excluded from the reimbursement request. The claims files that we provide to you will be composed of all claims incurred rather than being limited only to those claims with diagnoses associated with chronic, high-cost conditions.

As a part of your initial request for data, we are asking that you provide us with some of the responses that are included on your application to HHS. The information we are requesting is: Plan Name, Plan Year Cycle (Start Month/Day; End Month Day), Benefit Option Name, and Unique Benefit Option Identifier. This information is on Page 5 of the application under PART II: Plan Information. Our target date for completing the development of the claims and eligibility files is October 20 – 21.

Please note that these processes are subject to change depending upon any future guidance that is released by HHS.