



Billing Time Frames & Delinquency Policy

It is Business Health Trust's policy to receive premium payments prior to the coverage effective date. This document outlines the billing time frames and the subsequent delinquency policy if payment is received outside of the timelines.

Membership dues must also be in good status in or to maintain participation in the program. If you are delinquent on your membership dues, your premium may not be considered to have been paid and your coverage may be pended or delayed. If you are invoiced monthly for your dues, your premium will not be posted without your dues payment.

Groups may be termed for non-payment per the delinquency policy. Checks returned for Non-Sufficient Funds (NSF), Account Closure, or Payment Stopped will not be considered as having been paid in terms of the delinquency timeline. If any of these events occur, a group must provide a Cashier's Check or Wire Transfer with proof that the business is still active. If payment is not received within the payment due period the groups coverage will be pended. If payment is not received by the end of the coverage month coverage will be terminated retroactively to the last paid-thru date.

Employers who collect employee deductions for employee or dependent coverage and do not promptly pay those premiums towards coverage may be in violation of ERISA and subject to penalties. The timeliness of payments may also affect COBRA coverage, if you are responsible for forwarding COBRA premium on your former employees' behalf. Their coverage is dependent on being in good standing with their coverage premiums. If either situation applies to your group please contact your legal advisor for more information. Business Health Trust, its Program Manager, and its Billing Administrator are not tax or legal consultants and cannot provide further information on your responsibilities.

Delinquency policy for Premium Payment

There are two steps followed for cancellation due to lack of premium payment

1. Letter sent requesting payment
2. Letter sent notifying group of cancellation

Example for May Invoice

March 26-April 6	May invoice is calculated and mailed
April 20	May payment is due – payments after this date are considered late
May 1	Group may be assessed late fee on their June invoice for late payment of May coverage.
June 1	Group is considered delinquent Letter is sent to the group requesting payment of all past due premiums within 10 days
June 11	Notification of retroactive termination sent to group, broker, Wells Fargo, the Chamber, and all applicable carriers
June 25	<i>NO July invoice will be sent</i>

If a group is delinquent three times in a calendar year, the third notification will instruct the group to pay in full within 10 days. If a group is delinquent four times within a calendar year, they will be terminated.

Payment in full is due by the 20th of the prior month; for example, payment for May benefits is due April 20. Payment received after the cutoff period is considered late and may be subject to late fees and the temporary pending of coverage by the carrier until payment is received. If payment is not received by the last business day of the coverage month, the group will be considered delinquent. The group will be notified in writing that if payment is not received within 10 days from the date of the letter the group will be terminated for non-payment. If a group is delinquent four times within a calendar year, they will be terminated.

If a group is terminated for non-payment, they have one reinstatement opportunity, which must occur within 60-days of the last paid thru period. Reinstatement will be at the discretion of the insurers and must be requested in writing and submitted to the billing administrator. If group is not reinstated, they cannot reapply for coverage thru the program for 12-months.