



## **60-day Notice: New administration fees and payment practices for NSA eligible claims**

In December 2020, Congress passed the No Surprises Act (NSA) to protect plan participants from surprise medical bills by out of network providers. The new law applies in certain circumstances, including:

- Emergency situations, and
- Non-emergency services when provided by an out of network provider at certain participating facilities when the plan participant doesn't have a choice or is unaware that the provider is out of network.

The law protects plan participants by limiting cost sharing to the preferred benefit level and prohibits balance billing by out of network providers.

For NSA eligible claims, Aetna will pay the out of network provider an initial payment amount. In most cases, the initial payment will be an amount equal to the qualifying payment amount as defined in NSA regulations (generally, the median contracted rate for a specific service in a geographic area). A provider may choose to go to independent dispute resolution (IDR) if the provider does not accept Aetna's payment as payment in full. You agree that Aetna, during the IDR process, may pay more than the qualified payment amount in order to reasonably settle the matter when it appears expedient to do so. For calendar year plans, this payment practice applies to NSA eligible claims with dates of service on or after January 1, 2022. If you have a non-calendar year plan, it will apply to NSA eligible claims with dates of service on or after the first day of your plan year that begins after January 1, 2022.

To meet these requirements, Aetna has created and adopted new processes as well as improved technology to comply with the new law and its implementing regulations. As a result, plan sponsors will see the following charges:

1. NSA-eligible per claim fee
  - a. This is a \$50 per claim administration fee being implemented solely on NSA-eligible claims.
  - b. The \$50 fee is based on NSA-eligible claims paid June 1, 2022 and after. The \$50 fee will NOT be retroactive to January 1, 2022. For plan years beginning after June 1, 2022, the fee will apply to NSA eligible claims paid on or after the first day of your plan year.
  - c. You may not see charges for these claims until July 2022, but for plan years beginning January 1, 2022 through June 1, 2022, the charges will apply to all NSA eligible claims paid on or after June 1, 2022.
  - d. There will be no increase to the PEPM base administrative fees to administer these new regulations. We are charging a fee to NSA-eligible claims, which comprises only a small percentage of your overall claims. For most plan sponsors, we estimate that NSA-eligible claims will represent about 1% of their total claim volume. In most cases, the per claim administrative fees are anticipated to be more than offset by a reduction in claim dollars as a result of the qualifying payment amount.

These fees are necessary due to our increased compliance costs associated with the NSA and the cost of administering NSA-eligible claims.

2. The IDR initial fee and arbitration expenses

- a. The NSA rules require each party to pay an initial fee (\$50 for 2022 and subject to future adjustments) to begin an arbitration. This fee is paid to the certified IDR entity deciding the arbitration and is distinct, and in addition to, the \$50 NSA-eligible claim administration fee described above. Additionally, the rules require a payment for the arbitrator (~\$200 - \$600). This fee is paid to the certified IDR entity.
- c. IDR arbitration fees will be applied retroactive to a Plan Sponsor's first NSA-eligible IDR arbitration case. You will start seeing IDR arbitration fee charges in late Q2 2022/early Q3 2022.
- d. Aetna will not mark up these charges. They are passed through at cost.

These new fees will be reflected in the fee schedule in your future renewal package, which automatically serves as an amendment to your Master Services Agreement with Aetna (Agreement) without the necessity of securing your signature.

**What you need to do**

If we do not hear from you within the next 30 days, then we will consider you as approving (1) Aetna's payment methodology for NSA eligible claims, and (2) the new fees. As noted, you will not be charged NSA-eligible per claim administration fees until June 1, 2022 (or later, if the first day of your plan year begins after June 1, 2022). This Notice will be deemed to be incorporated and made a part of your Agreement, unless you cannot accept our new process and the associated new fees and you decide to terminate the Agreement by June 1, 2022. We believe that in most cases these fees will be more than offset by the claim savings you will see due to application of the qualified payment amount. Unfortunately, these fees are necessary due to increased compliance costs associated with the NSA.

We're here to help. If you have any questions or want to discuss this process, please contact me.

We will send you a reminder notice about the effective date of the fees in approximately 30 days.