

# Guidelines for Filing A Proof of Claim

## MEMBERS

A member should NOT file a Proof of Claim:

- **To contest an eligibility determination.** Issues relating to program eligibility fall under the jurisdiction of the Kentucky Health Benefits Exchange (also known as KYNECT). Members whose claims have been denied due to lack of eligibility should contact KYNECT at (855) 459 – 6328. If and when the eligibility issue is resolved by KYNECT, the member may thereafter file a Proof of Claim to contest the denial of the claim.
- **To contest the amount or denial of a premium subsidy.** Issues relating to premium subsidies --- also known as Advance Premium Tax Credits or APTC --- are likewise under the jurisdiction of KYNECT. Members who want to contest the denial or amount of a premium subsidy should contact KYNECT at (855) 459 – 6328. If and when the premium subsidy issue is resolved by KYNECT, the member may thereafter file a Proof of Claim to contest the amount of a KYHC premium invoice.
- **To request a corrected IRS Form 1095** for income tax purposes. Form 1095-A relating to individual health insurance policies are issued by KYNECT. If you received a Form 1095-A from KYNECT and you believe the information on the form is incorrect, you should contact KYNECT at (855) 459 – 6328 to request a corrected Form 1095-A.

Form 1095-B relating to employer-sponsored, small group health insurance policies are issued by KYHC. If you received a Form 1095-B from KYHC and you believe the information on the form is incorrect, you should contact KYHC at (855) 687 - 5942 to request a corrected Form 1095-B.

A member MUST file a Proof of Claim:

- **To contest the amount or denial of a previously-processed claim.** As a general rule, health care claims are filed by providers. However, once a claim has been submitted by a provider and processed by KYHC, if a member has reason to believe the member responsibility was incorrectly determined, the member may file a Proof of Claim in connection with the incorrect amount. The Proof of Claim form must be accompanied by a copy of the member's Explanation of Benefits (EOB) form and must contain a detailed explanation of why the member disagrees with the amount of the member responsibility as shown on the EOB.
- **To assert a claim for a premium refund.** The Proof of Claim form must include the amount of the requested premium refund, a detailed explanation of why the member believes he/she is entitled to a refund, and all necessary supporting documentation.

All member Proofs of Claim must be received by KYHC by the close of business on October 15, 2016 at the following address:

Kentucky Health Cooperative, Inc.  
Jeff Gaither, Special Deputy Liquidator  
9700 Ormsby Station Rd., Suite 100  
Louisville, KY 40223

## HEALTH CARE PROVIDERS

Pursuant to the Order of Liquidation entered by the Franklin Circuit Court on January 15, 2016, new and corrected claims should be submitted by health care providers pursuant to “established procedures for processing claims in the normal course of business.” (On the other hand, Proofs of Claim should only be filed by health care providers to contest claims which have already been processed and where an Explanation of Payment (EOP) form has already been being issued).

New or corrected claims must be received by KYHC by the close of business on October 15, 2016 at the following address:

Kentucky Health Cooperative, Inc.  
P.O. Box 31594  
Corpus Christi, TX 78463-4594

KYHC will continue to process new and corrected claims throughout the claims filing period which ends on October 15, 2016. During the claims filing period, EOBs will be issued to members and EOPs will be issued to providers. This will enable providers to bill members for co-payments, deductible amounts, co-insurance amounts and other member liabilities.

Due to the liquidation, payments to providers for KYHC liabilities will cease until after all assets have been collected and all claims and Proofs of Claim have been reviewed. Between now and the end of the claims filing period, EOBs and EOPs will generally contain the following remark code relating to the payment of KYHC liabilities:

**KYCL** - This is an acknowledgement that we have adjudicated your claim. Commonwealth of Kentucky Franklin Circuit Court has placed Kentucky Health Cooperative into liquidation, so no payment is being issued at this time. Pursuant to a Franklin Circuit Court order issued on January 21, 2016, providers are not permitted to bill members any portion owed by the Kentucky Health Cooperative. For additional information, please visit [mykyhc.org](http://mykyhc.org) or [insurance.ky.gov](http://insurance.ky.gov).

**TO REPEAT: PROVIDERS ARE NOT PERMITTED TO BILL KYHC MEMBERS FOR ANY PORTION(S) OWED BY KYHC.**

A health care provider should NOT file a Proof of Claim:

- **To submit a new or corrected claim.** As indicated above, new and corrected claims should be submitted by health care providers pursuant to “established procedures for processing claims in the normal course of business.” Submission of a claim in the normal course of business typically involves use of a Form CMS-1450 (UB-04) for institutional providers or a Form CMS-1500 for non-institutional providers. The phrase “corrected claim” refers to Bill Type xx7.
- **To re-submit a claim previously submitted to but not yet been processed by KYHC.** Claims previously submitted to and received by KYHC in the normal course of business but not yet processed, will be considered sufficient to establish a claim with the Liquidator of KYHC without the need to file a formal Proof of Claim. **PROVIDERS ARE NOT TO SUBMIT DUPLICATE CLAIMS.**

If a provider is unsure whether an initial claim submission has been received and/or processed by KYHC, it is recommended that the provider wait until the end of May of 2016 to give KYHC time to complete the processing of pending claims and generating additional EOPs. If an EOP is not received by May 31, 2016, the provider may submit a Proof of Claim.

A health care provider MUST file a Proof of Claim:

- **To contest the amount or denial of a previously-processed claim.** As a general rule, a provider must file a Proof of Claim to contest the amount or denial of a previously-processed claim. Once KYHC has adjudicated a claim and an EOP has been issued, a provider must file a Proof of Claim in order to contest the claim determination set forth in the EOP. The Proof of Claim must be accompanied by a copy of the EOP and other supporting documentation, and must include a detailed explanation of why the provider believes the claim determination in the EOP is incorrect.

**Limited Exception:** Please note the following limited exception to the general rule. In certain situations, if an objection to a previously-processed claim was asserted by a provider in writing on or before January 15, 2016, then the filing of a Proof of Claim form may not be necessary. In such situations, KYHC's claims processing vendor will automatically review the previous written objection and re-process the claim (if appropriate) without the necessity of the provider taking any further action.

Situations involving previously-processed claims where the filing of a Proof of Claim form may not be necessary, include situations where a provider submitted at least one of the following on or before January 15, 2016:

- A written complaint to the Kentucky Department of Insurance (DOI)
- A written claims appeal to KYHC
- A written communication to KYHC which resulted in the creation by KYHC of a claims "ticket" or similar device to be resolved by KYHC's claims processing vendor.

For purposes of this limited exception, telephone calls, emails or faxes to KYHC's provider call center do NOT qualify as written communications resulting in the creation of tickets or similar tracking devices. This is true even if a call was recorded by the provider call center and even if a reference number was issued. Rather than relying on telephone calls, faxes, or emails to the provider call center, a provider is advised to file a Proof of Claim to preserve and protect the provider's right to contest the amount or denial of a previously-processed claim.

Some providers may be unsure whether they fit within the limited exception. For example, a provider may not be able to recall whether he filed a DOI complaint or claim appeal on or before January 15, 2016; or a provider may be unsure whether a prior claims inquiry was turned into a "ticket" or similar device to be worked and resolved by KYHC's claims processing vendor. If a provider is unsure whether he fits within the exception, it is recommended that the provider wait until April or May of 2016 to see if he receives a revised EOP relating to his previously-processed claim.

Waiting until April or May will give KYHC's claims processing vendor time to review DOI complaints, provider claim appeals and claim tickets; and time to re-process claims and issue revised EOPs (if appropriate). If a provider receives a revised EOP by April or May and agrees with the revised claim determination, then the provider may not need to file a Proof of Claim. If a provider does NOT receive a revised EOP by April or May --- or if a provider receives a revised EOP but disagrees with the revised claim determination --- then the provider may want to file a Proof of Claim to ensure that his objection to the original or revised claim determination is preserved and protected.

All provider Proofs of Claim must be received by KYHC by the close of business on October 15, 2016 at the following address:

Kentucky Health Cooperative, Inc.  
Jeff Gaither, Special Deputy Liquidator  
9700 Ormsby Station Rd., Suite 100  
Louisville, KY 40223

# INSURANCE AGENTS

A health insurance agent should NOT file a Proof of Claim:

- **If the agent agrees with KYHC's determination of unpaid commission.** By March 15, 2016, KYHC will send each agent a notice containing a determination of the amount of any commission shown in KYHC records as unpaid. If the agent agrees with the determination of unpaid commission, the agent need not file a Proof of Claim.

A health insurance agent MUST file a Proof of Claim:

- **To contest KYHC's determination of unpaid commission.** By March 15, 2016, KYHC will send each agent a notice containing a determination of the amount of any commission shown in KYHC records as unpaid. If the agent has reason to believe that the determination of unpaid commission is incorrect, the agent must file a Proof of Claim to contest the determination.

All agent Proofs of Claim must be received by KYHC by the close of business on October 15, 2016 at the following address:

Kentucky Health Cooperative, Inc.  
Jeff Gaither, Special Deputy Liquidator  
9700 Ormsby Station Rd., Suite 100  
Louisville, KY 40223

\* \* \* \* \*

## PROOF OF CLAIM APPEALS

Upon receipt of a properly completed Proof of Claim with adequate supporting documentation on or before October 15, 2016, the Liquidator will review the Proof of Claim in accordance with Kentucky Revised Statute (KRS) Chapter 304, Subtitle 33. The Liquidator will either approve the Proof of Claim as filed, or deny the Proof of Claim in whole or in part. A written notice of approval or denial will be sent to the claimant (or to the claimant's legal counsel if applicable). The written notice will contain specific instructions on how to appeal a Proof of Claim determination to the Franklin Circuit Court.

If a Proof of Claim is denied in whole or in part and the claimant wants to contest the denial, the claimant will have sixty (60) calendar days from the date of the written notice to appeal the denial. Upon timely receipt of a written appeal, the Court may schedule a hearing on the appeal. The appeal will then be resolved in accordance with KRS 304.33-430.

When all claims against KYHC have been liquidated and approved by the Court, claims will be paid based on available general assets. The amount of payment will depend on the percentage of total assets to total claims in each particular claims class. This process may take a number of months after the October 15, 2016 claims receipt deadline has passed.