

# Special Bulletin

For facility providers

August 12, 2024

## Highmark to Align HCRA Processes with NY State Recommendations

### Collection and Submission of Member Cost Share to Change

To align with New York (NY) State Department of Health's recommendations and to reduce unnecessary health care expenditures, Highmark is making changes to its Health Care Reform Act (HCRA) processes, **effective Nov. 15, 2024**.

Currently, Highmark pays the member cost share of the HCRA surcharge to NY State except for Coinsurance. In the case of Coinsurance, our providers currently calculate the HCRA tax on the total Coinsurance, bill the member for the HCRA tax, and then pay that tax to NY State. In addition to Coinsurance, the members' responsibility for the HCRA tax also applies to the Copay and Deductible.

The change that Highmark will be making is to have the provider collect and remit the member's responsibility of the HCRA tax for not only Coinsurance, *but also Copay and Deductible*. To support this change, we will be enhancing our 835 Electronic Remittance Advice file to provide all the necessary details that are needed to remit the HCRA tax to NY State. This will include what Highmark needs to remit directly to NY State and what the provider will need to remit to NY State based on all member cost share (Copay, Deductible, and Coinsurance).

**Effective Nov. 15, 2024**, the new enhanced 835 will go into effect and will contain all information that is needed for the provider to correctly remit the HCRA tax to NY State. Providers will no longer need to perform manual calculations on a member Coinsurance, as it will now be contained in the 835.

Highmark is not asking providers to pay any additional monies; however, providers will need to make changes to their administrative processes to collect and submit the entire member portion of HCRA tax to NY State.

### Member Responsibility – HCRA Surcharge Examples

The chart below illustrates four scenarios regarding member responsibility:

1. Full Plan Paid
2. Fixed Copay or Deductible
3. Member Percentage Coinsurance
4. Full Member Responsibility

<b>HCRA Surcharge Scenarios</b>				
<b>Line Items</b>	<b>1 - Full Plan Paid</b>	<b>2 - Fixed Copay or Deductible</b>	<b>3 - Member Percentage Coinsurance</b>	<b>4 - Full Member Responsibility</b>
Charge	1,600.00	1,700.00	1,600.00	1,600.00
Agreement Price	1,500.00	1,500.00	1,500.00	1,500.00
Allowed with HCRA Surcharge	1,644.45	1,644.45	1,644.45	1,644.45
Deductible	0.00	0.00	0.00	100%
Coinsurance	0.00	0.00	20%	0.00
Copay	0.00	20.00	0.00	0.00
Total Member Responsibility	0.00	20.00	300.00	1,500.00
Member Responsibility with HCRA Surcharge	0.00	20.00	328.89	1,644.45
Plan to Pay Provider	1,500.00	1,481.76	1,200.00	0.00
Member to Pay Provider	0.00	20.00	328.89	1,644.45
Provider Keeps from Member	0.00	18.24	300.00	1,500.00
Total Provider Paid	1,500.00	1,500.00	1,500.00	1,500.00
<b>Member HCRA Collected and Submitted by the Provider</b>	<b>0.00</b>	<b>1.76</b>	<b>28.89</b>	<b>144.45</b>
<b>Plan Pays HCRA to NY State</b>	144.45	142.69	115.56	0.00
Total Paid to NY State	144.45	144.45	144.45	144.45

To learn more about NY State recommendations for HCRA, click [here](#).

As we move closer to the Nov. 15 implementation date, Highmark will publish additional updates about this upcoming change in [Provider News](#) and on the [Provider Resource Center](#).

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