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AlaskaCare Benefit Clarification

Benefit Title	Vision Claim Processing for Progressive Lenses and bundled claims	**Group Number**	866219-50
Effective Date	January 1, 2014	**Date Submitted**	May 2, 2016

Applicable Benefit Plan (check all that apply):

☐ Active X Retiree ☐ Long-Term Care

☐ Medical ☐ Dental X Vision ☐ Audio ☐ Pharmacy ☐ Other

Description: Processing instructions for vision claims listing progressive lenses and/or bundling vision services

AlaskaCare Insurance Information Booklet Reference(s):

- **COVERED VISION AND OPTICAL SERVICES**
  Up to two single vision, bifocal, trifocal, or lenticular lenses per calendar year.
  Certain lens options, limited to those listed below:
  — scratch resistant coating
  — antireflective coating
  — polycarbonate lenses
- **VISION AND OPTICAL SERVICES NOT COVERED**
  Services or supplies not specifically listed as a covered benefit under the health plan.

Decision:
As only services or supplies specifically listed in the vision plan are covered, progressive lens charges would normally be denied. However, some vision providers submit claims for service, or provide receipts to patients, that only include the progressive lens code. In order to avoid a denial of the progressive lenses when a covered basic lens charge may be included, we are providing the following direction to the claims administrator.

If the claim ONLY contains CPT V2781 (Progressive Lens) and there are no clarifying details to help the claims administrator determine the proper base lens code, apply V2200 for bifocal lenses.

If CPT V2781 is billed as an add-on item in addition to the base lens (bifocal or trifocal), the base lens code is considered and paid at the proper recognized charge rate and the V2781 is denied as a non-covered service.

If a claim is submitted where multiple services are bundled into one charge, the claims administrator will determine the recognized charge for all covered components. The claim will then be processed as follows:

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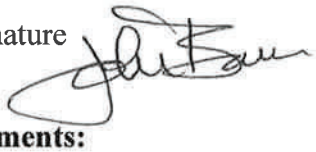
- If the recognized charge for all covered components adds up to be **more** than what the total billed amount is on the bundled claim, the claims administrator will allow the full billed amount as the base lens rate. In addition, the processor will add a free form comment to the claim to indicate the non-covered components are not covered under the plan.

- If the recognized charge for all covered components adds up to be **less** than what the total billed amount is on the bundled claim, the claims administrator will price the base lens code at the combined charge for all covered components (based on the recognized charge). The non-covered components would then be bundled under a miscellaneous V2799 code and the remaining amount will be denied as not covered. The processor will also add a free form comment to the claim to indicate what items are not covered under the plan for clarification.

Plan Administrator Approval:

Signature  Title Deputy Commissioner, Department of Administration Date 5/2/2016

Comments:

This benefit clarification applies to the AlaskaCare Employee Health Plan effective January 1, 2014 and the AlaskaCare Retiree Health Plan as amended January 1, 2014.

A benefit clarification is one mechanism by which the Plan Administrator provides guidance to the Third Party Administrator (TPA) as to the proper adjudication of a specific provision of the AlaskaCare Health Plan(s). A benefit clarification does not amend the AlaskaCare Health Plan(s); rather, it provides clarification as to the Plan Administrator's intent with regard to a specific provision of the plan document. No covered person will have any vested interest in a benefit clarification. The Commissioner of Administration, as administrator of the AlaskaCare Health Plans, reserves the right, in his sole discretion, to alter, amend, delete, cancel or otherwise modify this benefit clarification at any time and from time to time, and to any extent that he deems advisable.