



Coordination of Benefits (COB) Standard

What is coordination of benefits or COB?

COB, short for coordination of benefits, is when you and/or your dependents are covered by more than one benefit plan (dual coverage) and the two benefit plans are coordinated so that no more than 100 percent of the total covered expense of any treatment is paid.

For example, you may have elected dental coverage from your employer's plan and your spouse may have also elected dependent dental coverage for you under his or her employer's plan. If you go to the dentist and are covered under both plans, the respective carriers must coordinate benefits paid so that benefits do not exceed the total cost of the treatment.

What is dual coverage?

If you're fortunate enough to be covered by two dental plans, you have what is called dual coverage. Dual coverage doesn't mean that your benefits are doubled. What it does mean is that you will likely enjoy lower out-of-pocket costs for your dental care.

Dual coverage works the same way whether you are covered by two Delta Dental plans or by Delta Dental and another carrier. Delta Dental simply works with the other dental carrier to coordinate your benefits.

You and/or your children have dual coverage. Who pays first? Who pays second?

One plan is identified as the primary carrier, the plan that pays first, and the other is identified as the secondary carrier, the one that pays second.

Generally, the primary carrier is the one that covers you as a primary enrollee (e.g., your employer's plan rather than your spouse's employer's plan). If you have two jobs and are covered under both employers' plans, the plan that has covered you longer is considered primary. There are variances (for laid off and retired employees, for example). For specifics, please review your certificate of coverage or benefits booklet.

For your children's coverage, the primary carrier is generally determined by the birthday rule: The benefit plan of the parent whose birthday (month and day, not year) comes first in the year is considered to be your children's primary coverage. The birthday rule may be superseded by a divorce agreement or other court ruling.

For example, if the father's birthday is March 22 and the mother's birthday is March 5, the mother's plan is identified as the primary carrier and the father's plan is identified as the secondary carrier. If both parents have the same birthday, then the plan that has been effective for a longer period of time will be the primary plan. For example, if the father has been covered under his plan for 10 years and the mother has been covered under her plan for two years, the father's would be the primary plan and the mother's would be the secondary plan.

If the parents are separated or divorced, and two or more carriers cover the same child as a dependent, the order of benefit determination is as follows (unless a court decree states differently; please see your certificate of coverage or benefits booklet for specific details):

1. First, the plan of the parent with custody of the child;
2. Second, the plan of the spouse of the parent with custody of the child; and
3. Third, the plan of the parent not having custody of the child.

How does dual coverage and COB work?

The primary and secondary carriers coordinate the two programs, so that the primary carrier pays its portion first and the secondary carrier usually pays the remainder of the covered charge. Payment is based on the benefit plan each group has. As an example, say that both of your plans provide two cleanings a year, each with 80 percent coverage. The primary carrier pays 80 percent, and the secondary carrier usually covers up to the remaining 20 percent that you would have had to pay out-of-pocket if covered by only one plan. Dual coverage does not double your benefits; for example, you would not be entitled to four cleanings per year.

Below is an example of standard COB:

Procedure	Primary Carrier Pays 50%	Standard COB: Secondary Carrier Pays 50%
Crown: \$1,100	\$550	\$550

Why not twice as many benefits?

Dual coverage limitations, like all other program limitations, are built into your group’s contract and into the rates your group pays for your coverage. These contracts are set up to provide affordable dental care to a maximum number of people. Given the choice between doubling one individual’s benefits or providing a greater scope of benefits to more people in the group, most group purchasers choose to spread their benefit dollars more evenly.

How does Delta Dental of Illinois (DDIL) determine COB?

COB information is reviewed on a claim-by-claim basis. DDIL systematically screens electronic and paper claims as they are entered to identify if an enrollee has dual coverage. Claims that indicate the presence of other coverage or claims for families flagged with prior COB are subject to investigation. If the processing system already has the enrollee’s COB information loaded, the claim is automatically processed based on the group’s COB rules (i.e., standard or non-duplication). If it is determined that DDIL is the secondary carrier, a code is entered in the appropriate family member’s files that causes future claims to process according to the group’s COB rules.

When DDIL has been identified as the secondary carrier and a claim is received without primary carrier information, the claim is processed with a message to the dentist and the enrollee that says, “Primary dental carrier’s EOB is required. If surgical procedure or accident related, health EOB is required.” Appropriate payment will be issued upon receipt of this information.

The name and address of the other carrier is stored in notes attached to the member’s record in our system. A flag indicating whether that coverage is primary or secondary is maintained separately for each dependent.

Please note: This is a summary of how COB (coordination of benefits) works. Please refer to your certificate of coverage or dental benefit booklet for specifics on how your group handles COB.