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In 1987, Congress passed the Omnibus Budget Reconciliation Act, or OBRA for short. What does a piece of 15-year-old legislation have to do with your job selling insurance today, you wonder? Well, OBRA contained a little something government-types refer to as Section 4081. Section 4081 outlined a process whereby HCFA (now the CMS) would file certain Med-Supp claims on the behalf of doctors. These Med-Supp claims had to meet certain criteria. In particular, the service only applies to doctors who are contracted with Medicare. The objective of Section 4081 was to encourage doctors to contract with Medicare for one year (rather than merely accept assignment on a claim-by-claim basis).

Eyes glazing over yet? Imagine how clients without the “Automatic” Claims Filing® (ACF) service offered by UA must feel. Customers *without* ACF face a confusing maze of paperwork in order to file a claim, not to mention a complex conundrum in determining whether OBRA even applies to their transaction. And, odds are — it doesn't. Per UA's company statistics, **a mere 13% of all UA Med-Supp claims are eligible for processing under OBRA. The balance, or 87%, would have to be filed by the policyholders themselves, if they do not have ACF.** Moreover, if the customer's claim does happen to fall under OBRA, there's no requirement it be filed electronically with the Medigap insurer, which can result in long waits for benefit reimbursement.

Remember, OBRA 4081 is a narrowly-defined program designed as incentive for doctors to contract with Medicare. It was not intended as a service to Medicare beneficiaries. As UA CEO Mark McAndrew has stated, “ACF is still the only system which provides Medicare beneficiaries and Med-Supp policyholders complete assurance that all their doctor claims are filed automatically with their insurer. Anyone who believes that OBRA 4081 provides the same level of service as ACF has been misinformed.”

Electronic filing was pioneered nationally by United American, and ACF was designed with the policyholder in mind. In fact, it is not uncommon for claims to be processed before the policyholder receives Medicare's Explanation of Benefits. Our ACF customers are provided with the peace of mind that their claim will be processed electronically, every claim, every time. No hassles. No paperwork. What a deal.