



JOHNSTONE'S JOURNAL is published monthly, and designed to provide topical information of interest not only to plan administrators, but to all employees who enjoy coverage under the benefit plan. Feel free to make copies, and use as a payroll staffer.

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Claims Processing Times and Deadlines

Extended Health, Dental and Health Spending Accounts

Claim Turnaround Times

When submitting claims, employees should have a reasonable expectation of how long it will take to receive reimbursement. In our experience, most insurers process claims efficiently. While there may be times during the year when this is slowed, the **average** turnaround time (from when a claim is submitted until a cheque is received) is **usually 2-3 weeks**. As we would expect, the type or complexity of a claim will also impact how long this takes.

Mailing time varies throughout the year, but generally will be 2-4 days, each way insurers process claims within 5-7 business days. If we put this all together, and include weekends, claims turnaround time could be a full 2-3 weeks.

	<i>Days</i>	<i>Days</i>
Mail to Insurer	2	4
Processing	5	7
Mail from Insurer	2	4
Weekend Days	2	4
Total	11	19

The time of year will also affect claims turnaround time. During the summer months, insurers find their claims departments shrink as employees take holidays. You can also expect slower processing around Christmas, Easter and other school breaks.

The slowest claims processing time each year is between Christmas and the end of March. This is when insurers are inundated with claims that employees submit en masse. During this peak season, claims turnaround can often extend beyond 3 weeks.

Claiming Deadlines

Regardless of how long insurers take, it is vital to submit claims on a timely basis. All insurers set claiming deadlines that they strictly enforce, and will refuse payment of claims submitted after the deadline. It is always best to send all claims as soon as possible, or at the latest, within 90 days from the date of service. This is not the deadline, but a good rule-of-thumb to prevent payment refusal due to a late submission. Unfortunately, there isn't one standard deadline between insurers, or even between benefits, so just follow these guidelines. Claims for:

Extended Health and Dental – 12 months from the date of service. This means receipts dated December 15, 2009 must be in the insurer's office (not just in the mail) by December 15, 2010.

Health Spending Accounts – 30 or 60 days from the end of the reporting period. So, if your H.S.A. runs from January to December, all 2010 claims must be received prior to either January 31 or February 28, 2011 depending on your contract.

Check your booklet or call us if you are unsure.

Get Your Reimbursement Quicker

The most important thing to do to ensure quicker payment of claims is to make sure that all relevant areas of the claim form are complete. Insurers will refuse payment if they do not have the information needed to process the claim.

Also, most insurers will now deposit reimbursements directly into employees' bank accounts. You must register on-line and apply for their "direct deposit" service. Explanation of Benefits statements are emailed, which saves time and paper.