

# Advance Funding

In order to assist our group customers with cash flow in situations where extremely high dollar claims occur, HM Insurance Group (HM) offers an Advance Funding option, also known as coordinated reimbursement. For groups managing claims through TPAs, this program enables payment for high-dollar Specific claims with money placed into the group's account by HM, instead of being reimbursed for those payments at a later date.

Because HM policies are written on a reimbursement basis, all claims must be paid by the plan (funded), submitted to HM and then reimbursed. However, with the Advance Funding rider in place, groups can elect an alternative that provides cash to them to make the payment as the check is being cut. Advance Funding can be selected at point of sale or at renewal.

The Advance Funding option is available if certain conditions are met.

- For claim expenses to be eligible, they must exceed the individual Specific deductible payable for the policy term.
- Claims submitted for Advance Funding must be fully processed by the TPA and ready for payment through the covered underlying plan within the incurred and paid period for the current policy term. A claim is considered fully processed when the TPA has all of the information necessary to pay the claim and has adjudicated the claim so it is ready for payment as evidenced by the TPA's records and submitted in accordance with the policy's reporting requirements.
- Each request for Advance Funding must total more than \$1,000 per participant.
- Any request for Advance Funding must be received by us no later than 15 days prior to the end of the current policy term. Any such request received after such date, or after the end of the current policy term, is not eligible for Advance Funding.
- The TPA must pay the claim through the covered underlying plan within five working days following receipt of any funds advanced by us for such expenses. We will consider any payment made within this time period as payment made by the end of the paid period for the current policy term, even if such payment occurs after the end of the current policy term. If the TPA does not pay the eligible expenses associated with such claim within this time period, any advance for such expenses must be returned to us within five working days.
- Any funds advanced by us not used to pay a covered expense, due to any type of discounting, must be returned to us within five working days.
- A claim will only be considered once. For purposes of renewal, claims approved for Advance Funding will be considered paid by the policyholder during the policy term in which they were approved and reimbursed regardless of when the eligible claims expense is actually paid by the employer.

For more information, contact your HM sales representative or visit [hmig.com](https://www.hmig.com)



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Coverage is underwritten by HM Life Insurance Company, Pittsburgh, PA, in all states except New York under policy form series HL601 or HMP-SL (11/16) or similar. In New York, coverage is underwritten by HM Life Insurance Company of New York, New York, NY, under policy form series HL601 or HMP-SL (11/16) or similar. In Pennsylvania, coverage may be underwritten by Highmark Casualty Insurance Company under policy form series HC601 or HMP-SL (11/16) or similar. The coverage requested may not be available in all states and is subject to individual state approval.