



How Coordination of Benefits Works

Michigan Public School Employees Retirement System

When retirees or their enrolled dependents are covered under more than one dental plan, coordination of benefits (COB) comes into play.

The dental plans work together, usually without involving the member, to ensure payment is made in the correct order and for the correct amounts. Your retirement system uses what's called "carve out" coordination of benefits.

Here's how it works:

If your retirement system's dental plan, which is administered by Delta Dental, is the secondary dental plan, the claim for dental services must first be submitted to the primary dental plan carrier for payment. If the primary plan denies your claim or does not pay the full bill, the claim may be submitted to Delta Dental for secondary payment. Covered services are paid up to the amount payable under your retirement system's plan, minus the amount paid by the primary plan. Primary and secondary plan payments will be up to, but not more than, the coverage level under your retirement system's plan.

Example: Your spouse has primary coverage under another dental plan and has a \$100 claim for dental services. The primary plan pays \$50. If your retirement system's payment would have been \$95 without other coverage, Delta Dental will deduct the primary plan's payment (\$50) from what would have been paid under the retirement system's plan (\$95), and will pay \$45.

Procedure:
Cleaning
Sample allowed amount:
\$100
Your spouse's plan is primary:
The \$100 allowed amount is reduced by the primary plan's 50 percent coinsurance (50 percent of \$100, or \$50), and the primary plan pays \$50.
Your retirement system plan is secondary with a 5 percent coinsurance:
Without other coverage your retirement system's plan would have reduced the \$100 allowed amount by your 5 percent coinsurance (5 percent of \$100, or \$5) and paid \$95. Since another plan is primary, the \$95 is reduced by the \$50 primary plan payment and your retirement system plan pays \$45.
Your out-of-pocket costs:
\$5 You are responsible for the remaining balance once the dental plans have coordinated.

Questions?

Call Delta Dental of Michigan's customer service department at 800-345-8756 or log in to our Consumer Toolkit® at www.consumertoolkit.com.

www.deltadentalmi.com/MPSERS