

Billing Services

Self-Administration/Self-Billing

Premium billing can be a tedious, time-consuming, and often a frustrating task. When coverages are placed with PPI platform carriers and administered by PPI, we take on the entire process. A self-bill (or self-administration) arrangement allows PPI to calculate premiums for some coverages in a more streamlined and efficient way.

What is self-administration and self-billing of insurance products?

Self-billing or self-administration is a process used for certain employee benefit products where the policyholder takes on the responsibility of creating and issuing their own invoices for insurance premiums, based on eligible covered enrollees and the agreed-upon terms of the insurance contract.

How does self-billing work through PPI?

When a carrier has agreed to a self-bill arrangement for specific lines of coverage and PPI is the system of record or has an incoming 834 agreement with a client, PPI will calculate carrier premiums owed based on the enrollment data reported in or imported into our system.

Does the carrier have member-level detail of who is covered?

It varies based on the arrangement established between PPI and the insurance carrier for the particular circumstances, whether it be a true self-bill or a pay-as-billed arrangement. With either scenario, PPI houses your enrollment data and member-level detail is provided to you on your monthly PPI invoice.

When a true self-bill arrangement is in place, PPI reports the total number of covered lives and total premium due to the carrier for self-billed coverages each month. In this case, we do not send enrollment data, so the carrier does not know who is covered on a day to day basis. PPI is the system of record and no carrier reconciliation is required.

When a pay-as-billed arrangement is utilized, the carrier's bill is suppressed but used for the purpose of reconciliation between PPI and the

carrier. In this case, the carrier would also house member-level detail.

What happens if an employee calls the carrier with questions?

Generally, a carrier may not have record of individuals covered under a self-billed plan. PPI provides instructions for how employees must identify themselves when calling these carriers.

If there is a claim, how do I provide proof of premium/eligibility for a member?

Since PPI houses the enrollment data, we maintain records of premiums billed and will provide proof of premium/proof of eligibility to the carrier when a claim is made for an eligible enrollee. You may be required to confirm eligibility and actively at work status.

In the case of a self-billed life insurance claim, how does the insurance company know the applicable benefit amount to pay?

If a life insurance claim is made, the beneficiary will receive the benefit based on the current salary of or benefit available to the employee. The claim form requires the deceased individual's salary at the time of death.

How does EOI work for self-billed coverages?

When the employer is notified by the carrier of the employee approval, the employer should send an email to the PPI Underwriting mailbox at ppiunderwriting@ppibenefits.com and we will update our systems and bill the approved amounts.

If an incoming file is in place, PPI will calculate premiums based on the amounts passed on the file.