Benefit reserve is determined on a claim-by-claim basis. When an Anthem Blue Cross is the secondary payer, the benefit savings is calculated by subtracting the amount that was paid from the amount that we would have paid had we been the primary plan. These savings are recorded as a reserve and used to pay any allowable expenses, not otherwise paid, that are incurred by the enrollee during the claim determination period (usually a calendar year) to ensure that the enrollee is reimbursed for all allowable expenses incurred in that year.

Under certain circumstances, allowable expenses may not be completely paid between the primary and secondary plans. This may occur early in the claim determination period when charges are applied to the deductible of each plan, or in other cases when none or only a relatively small portion of the total allowable expenses are paid. This allowable expense becomes the responsibility of the enrollee.

This unpaid allowable expense amount is carried forward to future claims for the same benefit determination period and may be paid when sufficient benefit reserve has been accumulated.

For example, we may receive a claim for services rendered in January. Since benefit reserve does not roll over from year to year there would not be any reserve to pick up the Medicare deductible for the services. The member could, however, contact us mid-year (if they have had other services rendered in which reserve was accumulated) and request that the claim for services provided earlier in the calendar year be adjusted to apply any available benefit reserve.
Here's how COB with Medicare, and Benefit reserve works:

**COB With Medicare**
These plans coordinate with Medicare. After Medicare makes there payment, Anthem will apply the member’s plan benefits. If a payment is made by Anthem’s plan, the dollar amount that would have been paid by Anthem will be applied to what Medicare didn’t pay.

**Examples:**

**Primary payment from Medicare:**
Medicare approved $100. Medicare made a payment of $80 leaving the member with a $20 coinsurance responsibility.

**Secondary payment from Anthem:**
Anthem will now apply the member’s benefits. The member’s plan pays 80%. Anthem’s allowable is $75. According to the member’s plan, Anthem would make a $60 payment leaving the member with a $15 coinsurance. Since Medicare is only stating the member has to pay $20, Anthem will be able to make the $20 payment. In this scenario, the member will have a $0 responsibility to pay.
So with the reserve with this example, the member would have $40.00 accumulated.

**Examples of how reserve is paying deductible:**
So say the member had a claim in March where their reserve was $300.00 and there’s a claim from January that was applied to member’s deductible of $250.00, since we now have enough $ in the reserve bucket, we can adjust the January claim to pay the $250.00.
Once the claim is adjusted, the reserve will now show $50.00 rather than $300.00. The refund ($250.00 deductible applied in January), will be reimburse to the member.