

10/20 Small Business Group Enhanced Choice B Underwriting Guidelines

Eligibility:

- ◆ 1-100 employees with over 50% of the total group located in California, subject to Out-of-Area Requirements below.
- ◆ Owner-only groups are not eligible. There must be a minimum of one W-2 employee who is not a spouse of the owner or partner.
- ◆ Out-of-Area Requirements
 - A maximum of 49% of the group's eligible and enrolling populations may be out of state.
 - Eligible employees residing in the United States, but outside of the California service area, may be written only on a Full Network PPO Bronze plan.
- ◆ Probationary period for new hires can be first of the month following the date of hire, or 1 month, 30 days, or 60 days, after the date of hire.
- ◆ Carve-outs are not available.
- ◆ Eligible employees can be defined as employees working an average of 20 or 30 hours per week.
- ◆ 1099s are not eligible for coverage.

Contribution/Participation:

- ◆ A minimum employer contribution to the employee rate of \$100 or 50% of the lowest cost plan is required.
- ◆ For groups of 1-5 eligible employees, a minimum of 66% participation is required. For groups of 6-100 eligible employees, a minimum of 50% participation is required.
- ◆ Health Net is not required to be sole carrier as long as participation guidelines are met.
- ◆ Eligible employees waiving coverage due to group coverage through another employer (e.g., spousal coverage) will not count against participation.

Rate Information:

- ◆ 12-month rate guarantee for new and renewing business.
- ◆ Rating is based on the employer's principal business address in California for all employees.
- ◆ Age-banded rates only.

Submission:

- ◆ All cases requesting coverage on the 1st must be submitted by the 5th of the month for which coverage is to be effective.
- ◆ For groups effective on the 15th cases must be submitted by the 20th of the month for which coverage is to be effective. *Note:* This option is available for groups losing coverage mid-month only.
- ◆ For groups not meeting participation and/or contribution guidelines, cases must be submitted between 11/15 and 12/15 for a 1/1 effective date.

Choices:

- ◆ Groups of 2 or more can mix and match all plans in any of the following networks:
 - Full Network HMO
 - WholeCare HMO
 - SmartCare HMO
 - Salud HMO y Mas
 - CommunityCare HMO
 - HSP
 - EnhancedCare PPO
- ◆ Employers may also choose one or both of the following plans from the Full PPO Network:
 - Bronze 60 HDHP PPO 5600/20% + Child Dental Alt
 - Bronze 60 PPO 6300/65 + Child Dental
- ◆ Service area restrictions apply to all networks with the exception of Full Network PPO.

Riders:

- ◆ If selected, the chiropractic rider will be applied to all HMO and HSP plans within the package.
- ◆ If selected, the infertility rider will be applied to all plans within the package.

PEO Groups:

- ◆ The group must demonstrate it has the right to direct the work of its employees, as well as the right to make personnel decisions, such as hiring and firing.
- ◆ All standard underwriting guidelines apply.