

Administrative Manual for Groups of 2-99 Eligible Employees

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The purpose of this document is to give the employer a quick, easy reference tool for most commonly asked questions regarding member services topics. More precise information can be found in the employee benefit booklet or the master policy document signed by the employer.

Enrollment Procedures

Enrollment Qualifications:

1. An employee must be permanent full-time status with a normal workweek of at least 20 hours.
2. Federal taxes must be withheld from the employee's payroll.
3. Employees must be 15 years of age or older.

How to enroll Newly Eligible Employees and their Dependents –

- A new employee must complete an application for coverage. The application must list information on the employee and any dependents enrolling on the coverage. If your group policy offers a choice for employees of Dual Benefits or Dual Network options, a Dual Option Election Form must be submitted with the application for coverage.
- Regence BlueShield of Idaho must receive the complete application within 30 days from the end of the employee's probation period. **An employee or dependent who does not submit an application within 30 days from the date they are first eligible will be considered a Late Enrollee and will not be eligible until the next Annual Enrollment Period.** "Annual Enrollment" means a 30-day period prior to the group's annual renewal date in which employees and dependents are eligible to submit an application for coverage under this policy.
- The eligibility date of coverage will be the first of the month following the date the applicant met the probation period, provided the application was received within 30 days from that date. The applicant(s) must enroll on their eligibility date provided the application is received within 30 days from the date of eligibility.

How to enroll Newborn Children –

- To add a newborn child to coverage effective date of birth, Regence BlueShield of Idaho must receive the request within 60 days of birth via phone call, email, fax or application. Please be sure to indicate the employee's

name, ID number, the baby's name, gender and date of birth. The baby will be added to coverage as of the date of birth.

- Premiums will be pro-rated based on the date of birth.

How to enroll Adopted Children –

- An application to add adopted children to coverage must be received within 60 days of the date of placement of the child with the employee.
- Adopted Newborn Children may be enrolled on the employee's coverage on the date of birth provided that the child was placed with the employee within 60 days of the child's date of birth.
- Enrollment for adopted children placed after 60 days from the child's date of birth will be effective from the date of placement.
- Premiums may be pro-rated based on the effective date of coverage.

How to enroll Enrolled Employee's new spouse –

- The newly married enrolled employee must submit a complete application to Regence BlueShield of Idaho within 60 days of the date of legal marriage.
- The new spouse will be added to coverage effective the date of marriage.
- Premiums will be pro-rated based on the date of marriage.

Special Enrollment Periods -

If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll yourself and your dependents in this plan if one of the following events occurs:

- You or your dependents lose eligibility for that other coverage.
- The employer stops contributing towards you or your dependents' other coverage.
- You or your dependents incur a claim that meets or exceeds the lifetime limit on all benefits under the other coverage (considered a loss of eligibility).
- You must request enrollment within 30 days after you or your dependents' other coverage ends (or after the employer stops contributing toward the other coverage)
- In addition, if you gain a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents. However, you must request enrollment within 60 days after the marriage, birth, adoption, or placement for adoption.

Submitting Employee Address, Name Changes –

- Updating employee addresses, changes in name, etc., can be submitted to Regence BlueShield of Idaho either by phone or by written note.

Waiving Probation Periods –

- Employers are not allowed to waive a portion of an employee's probation period.

- The Employer can request the full probation period be waived for an employee. A letter from the employer is required and must be received with the employee's complete application within 30 days from the date of hire.
- Effective date of coverage will be the first of the month following the date the complete application is received and approved by Regence BlueShield of Idaho's Medical Underwriting Department.

Waiting Periods –

- This plan imposes a preexisting condition exclusion. This means that if you have a medical condition before coming to our plan, you might have to wait a certain period of time before the plan will provide coverage for that condition. This exclusion applies only to conditions for which medical advice, diagnosis, care, or treatment was recommended or received within a six-month period. Generally, this six-month period ends the day before your coverage becomes effective. However, if you were in a waiting period for coverage, the six-month period ends on the day before the waiting period begins. The preexisting condition exclusion cannot apply to a newborn child who becomes covered on a group or individual health plan within 30 days after birth, adoption, or placement for adoption, until that child has experienced a subsequent period of at least 63 consecutive days without creditable coverage. A preexisting condition exclusion cannot apply to pregnancy on a group health plan.
- This exclusion may last up to 12 months from your first day of coverage, or, if you were in a waiting period, from the first day of your waiting period. However, you can reduce the length of this exclusion period by the number of days of your prior "creditable coverage." Most prior health coverage is creditable coverage and can be used to reduce the preexisting condition exclusion if you have not experienced a subsequent break in coverage of at least 63 days. To reduce the 12-month exclusion period by your creditable coverage, you should give us a copy of any certificates of creditable coverage you have from previous plans (or from plans that were in force at the time of your enrollment in this plan). If you do not have a certificate, but you do have prior health coverage, we will help you obtain one from your prior plan or issuer. There are also other ways that you can show you had creditable coverage. Please contact us if you need help demonstrating prior creditable coverage.

Members on Military Leave -

- If a member or their dependent(s) cancels coverage to serve in the military, the member would be granted reinstatement on the same plan he/she was on at the time of cancellation provided that the employee is eligible for coverage at the time of re-enrollment. The member must request re-enrollment by submitting an application within 30 days of returning to the state of Idaho.

Termination of Coverage Procedure – Employee

- A request to cancel employee coverage will terminate effective the first of the month the request was received.
- Requests for retroactive termination must be submitted to Regence BlueShield of Idaho Membership Department for special consideration. If approved, the effective date of termination will be 30 days retroactive from the date the request was received.
- It is important that changes submitted on the termination form are also noted on the monthly billing statement.
- If eligible, terminated employees may have the option to transfer their coverage to COBRA. Employers must notify a terminated employee of COBRA coverage. Requests by a terminated employee to elect COBRA coverage must be received within 60 days from receiving the notice from the employer.

Termination of Coverage Procedure – Dependent(s)

- A request to cancel dependent(s) can be received from the employer or employee stating the name of the dependent(s) to be removed from coverage.
- The effective date of termination will be the first of the month the request was received by Regence BlueShield of Idaho.
- Requests for retroactive termination must be submitted to Regence BlueShield of Idaho Membership Department for special consideration. If approved, the effective date of termination will be 30 days retroactive from the date the request was received.
- If eligible, terminated dependents may have the option to transfer their coverage to COBRA. Requests by a dependent(s) to elect COBRA coverage must be received within 60 days from receiving the notice from the employer.

Dependent Transfer to Employee Coverage

- To transfer from dependent status to employee status, the employer must submit the request to Regence BlueShield of Idaho prior to the requested effective date.

Annual Renewal of Group Policy

Renewal Information

- Your group policy will renew with Regence BlueShield of Idaho every 12 months.
- Approximately 60 days prior to the annual renewal date of your group coverage, you will receive a packet of information. This packet will provide updated information regarding benefits, renewal premiums and any policy updates for the upcoming year.
- For groups with 2 to 50 eligible employees, the employer must complete an Employee Renewal Certification Form at the time the group is initially enrolled on coverage with Regence BlueShield of Idaho. This form requires the employer to list all eligible employees, employed as of that date. Applications or Waiver of Coverage forms must be submitted on each

employee. The Employee Certification form must be updated by the employer each year as part of the annual renewal.

- If the employer would like to make benefit changes as of the annual renewal date, all final paperwork including the a signed benefit/ rate document, 'Employee Renewal Certification Form' (required on for groups with 2-50 eligible employees), Waiver of Coverage Form (required for employees, not enrolled on coverage, for groups with 2-50 eligible employees) must be received by Regence BlueShield of Idaho no later than the 5th day of the renewal month. Providing this information earlier can assist us in generating an updated billing statement for your renewal month.

Group Participation Qualifications – Groups of 2-50 eligible employees -

- Based on the information documented by the employer on the "Employee Certification Form", a participation percentage will be calculated by Regence BlueShield of Idaho by group.
- For groups of less than twenty 20 eligible employees, the policy is contingent upon 85 percent of all eligible employees enrolling on the group plan.
- For groups of 20 to 50 eligible employees, the policy is contingent upon 75 percent of all eligible employees enrolling on the group plan.
- Employees who have not satisfied the probation period and employees who have signed a "Waiver of Coverage Form" indicating other coverage is in place, will not be included in the participation calculation.

Group Participation Qualifications – Groups of 51-99 eligible employees –

- 75 percent of the total number of eligible employees, not including those employees who have not satisfied the probation period, must enroll on the group plan.
- The total number of employees enrolled on the plan cannot be less than 50 percent of the total number of eligible employees employed by the group.

Please Note: Enrollment under the dental and vision benefits must be the same as the enrollment under the medical benefits.

Billing Procedures

Payment of Monthly Premiums –

- Group billing statements will print 15 days prior to the due date or the day after premium is received and reconciled, whichever is later.
- Premiums are due on the first day of each coverage month.
- Accounts are considered delinquent if premium is not received within 20 days of the due date or bill generation date, whichever is later.
- We request that invoices be paid as billed for the month. Debits or credits created by changes in membership will be reflected on the next month's invoice. If an invoice is received and payment is not at least 90 percent of **total premium billed**, the account will be considered delinquent. This

includes all premiums billed on the invoice, including COBRA members if applicable.

- Delinquent letters are generated 20 days after the due date or the bill generation date, whichever is later. If premium is not received 15 days after the delinquent letter is generated the group will be canceled for nonpayment of premium.
- Groups are allowed a one time reinstatement if they have not been canceled within the last 12 months. Regence BlueShield of Idaho must receive premium through the current month in order to reinstate.
- Please Note: For Regence Select groups of 2-14 employees, age band birthday changes for employees and spouses will be in effect as of the birth date rather than at renewal. The employer billing statement will reflect the new rate in the month of the employee and/or spouse's birthday.

For More Information

For additional information, please contact our Customer Service Department at 800-632-2022, or visit our Web site at www.id.regence.com. Also, as Regence members, you and your employees have access to myregence.com, a Web site designed specifically for our members. At myregence.com, you'll find fresh new ideas for saving time, money and living a healthier life. Log in and explore your opportunities to:

- Manage your benefits, costs and claims
- Evaluate your care options
- Read the latest health news
- Research a medical condition

Plus much more.