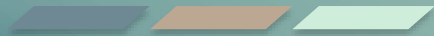




- OUT WITH THE OLD, IN WITH THE NEW –
A Summary of 2018 Plan & Rate Updates





AGENDA

- ❖ LEGISLATION & REGULATION UPDATES
- ❖ PORTFOLIOS & PLAN BENEFITS
- ❖ PHARMACY
- ❖ NETWORKS
- ❖ CANOPY HEALTH
- ❖ UNDERWRITING
- ❖ RATES
- ❖ COMMISSION



EXECUTIVE ORDERS EFFECTIVE IMMEDIATELY

END COST SHARING REDUCTIONS SUBSIDIES

- Immediately affects insurers because although cost sharing reduction subsidies are required by law for the consumer, the insurance company will no longer be reimbursed
- Will cause the Silver plans on Covered CA to increase an additional 12.5% in 2018
- End result, the Federal government will pay more in premium subsidies by removing cost sharing reductions

PRESCRIPTION CONTRACEPTION

- Immediately, covered Employers may exclude coverage for contraceptive services based on moral or religious objections
- Employers with religious or moral objections are no longer required to submit a self-certification of their objections to their insurance carrier or file a notice with the HHS
- Plans regulated by CA (e.g. 1-100 fully insured plans) must cover prescription contraception at 100%



EXECUTIVE ORDERS PENDING

ALLOWS SMALL GROUPS TO BUY ASSOCIATION PLANS

- Groups must be in the same line of business
- Could cross state lines
- Would NOT have to comply with Small Group ACA mandates
- Department of Labor to provide guidance within 60 days from 10/12/17, or by 12/11/17

EXTENDS SHORT TERM POLICIES FROM 90 DAYS TO A YEAR, AND WILL BE RENEWABLE

- These policies are not required to provide certain ACA mandates
- Secretaries of HHS, Treasury, and Labor, to provide guidance in 60 days from 10/12/17, or by 12/11/17

HEALTH REIMBURSEMENT ACCOUNTS

- Allow employers to contribute more to HRA's
- Makes contributions tax deductible
- Allows funds to be used for premiums
- Allows HRA's to be used with Individual plans not just Group plans
- Secretaries of HHS, Treasury, and Labor, to provide guidance in 120 days from 10/12/17, or by 2/9/18



BIPARTISAN PROPOSAL

SEN. LAMAR ALEXANDER AND SEN. PATTY MURRAY HAVE REACHED A DEAL TO FUND THE AFFORDABLE CARE ACT'S COST-SHARING SUBSIDIES IN EXCHANGE FOR GIVING STATES MORE REGULATORY FLEXIBILITY WITH THE LAW

- Subsidy funding for the rest of 2017 plus two years and potential steps to help enrollees with their premiums in 2018.
- A "copper plan" for people older than 30, which would be less comprehensive than other ACA plans but would have a lower premium.
- \$106 million in enrollment outreach funding in 2018 and 2019.
- Shorter review time for states seeking waivers from some of the ACA's coverage requirements.
- CBO determined proposal would:
 - lower the federal deficit \$3.8 billion during the next decade and
 - would not affect the number of people insured



CA DRUG LEGISLATION

SB 17: EFFECTIVE JANUARY 2019, REQUIRES:

- Drug manufacturers to notify State and health insurers 60 days in advance when they plan to increase the price of drugs with a wholesale cost of \$40 or more, 16%+ over two years
- Carriers must include specifics on prescription costs including generic, brand and specialty drugs in their DMHC/DOI rate filings

AB 265: EFFECTIVE JANUARY 2018, LIMIT THE USE OF COPAY COUPONS AND OTHER DISCOUNTING STRATEGIES FOR BRANDED PRESCRIPTION DRUGS WHEN A CHEAPER GENERIC IS AVAILABLE EXCEPT:

- For situations of step-therapy or prior-authorization, and
- Can be free as long as it is:
 - Free to both carrier and consumer
 - Doesn't prevent another drug from being substituted



RATE REGULATIONS

ADJUSTMENT TO COMMUNITY RATES

- Increase to children's rates to better reflect health risk of children, and
- To provide a smoother transition from age 20 to age 21

- Children will have a higher rate factor
 - Prior to 2018, child rate for ages 0-20 were .635 of the rate for a 21 year old,
 - As of 2018, child rate for ages 0-14 will be .765 of the rate for a 21 year old

- Example:
 - Prior to 2018,
 - Rate for a 21 year old = \$403.71
 - Rate for 0-20 = \$256.36
 - As of 2018,
 - Rate for a 21 year old = \$403.71
 - Rate for 0-14 = \$308.84



RATE REGULATIONS

AGE	2017 RATIO	2018 RATIO	% CHANGE
0-14	0.635	0.765	20.47%
15	0.635	0.833	31.18%
16	0.635	0.859	35.28%
17	0.635	0.885	39.37%
18	0.635	0.913	43.78%
19	0.635	0.941	48.19%
20	0.635	0.970	52.76%
21	1.000	1.000	0.00%

DEPENDENTS

Currently, children ages 0 to 20 are in one premium age band. Effective January 1, 2018 for new and renewing business, children ages 0 to 20 will follow the new Federal uniform age curve:

- One age band for children 0-14; and
- Separate single age bands for children 15-20

The rating for large families will not be impacted; the three oldest children under the age of 21 will continue to be used for rating.



RATE LEGISLATION

EXAMPLES OF ADJUSTMENT TO COMMUNITY RATES

- 2017 methodology: Family with 4 kids under age 20 = \$1,788.03
 - 40 year old EE: = \$515.94
 - 38 year old Spouse = \$503.02
 - 18 year old = \$256.36
 - 15 year old = \$256.36
 - 12 year old = \$256.36
 - 9 year old = \$0
- 2018 methodology: Family with 4 kids under age 20 = \$2,032.68
 - 40 year old EE: = \$515.94
 - 38 year old Spouse = \$503.02
 - 18 year old = \$368.59
 - 15 year old = \$336.29
 - 12 year old = \$308.84
 - 9 year old = \$0



PLAN DESIGN LEGISLATION

DEDUCTIBLE

- HSA Minimum Deductible: \$1,350 self-only, \$2,700 single / \$5,400 family
- All plan deductibles are embedded (Health Net's HSA \$1,350/\$2,700 and UHC's HSA \$2,000/\$2,700 plan have an aggregate \$2,700 family deductible)

OUT-OF-POCKET (OOP) MAXIMUM

- Standard Plans: \$7,350 individual / \$14,700 family
- HSA Plans: \$6,650 individual / \$13,300 family
- All plan OOPs are embedded

HSA CONTRIBUTION LIMITS

- \$3,450 self-only / \$6,900 family
- Annual catch up for age 55+ will remain \$1,000

NEW AV CALCULATOR



INDIVIDUAL HSA DEDUCTIBLES

THE COMBINATION OF AB 1305 AND IRS HSA RULES NOW REQUIRE HSA PLANS WITH LOWER DEDUCTIBLES TO APPLY:

- One individual deductible for an employee that enrolls as a single and
- A different individual deductible for an employee that enrolls with dependents
 - AB 1305 limits deductibles no greater than \$2,000 for an individual in all metallic levels except Bronze
 - IRS requires minimum deductibles for single (\$1,350) and family (\$2,700) coverage meaning there cannot be an individual deductible in family coverage, unless the individual deductible is greater than \$2,700



INDIVIDUAL HSA DEDUCTIBLES

As a result, several carriers offer HSA plans with a \$2,000 deductible for employee only and a \$2,700 deductible for an individual enrolled in a family plan but some carriers offer an aggregate \$2,700 family deductible.

- Anthem \$2,000/\$2,700/\$4,000 HSA
 - Employee only has a \$2,000 deductible
 - Family of 4:
 - One family member wouldn't ever pay more than \$2,700 or
 - 4 members could hit \$1,000 each to satisfy the FAMILY deductible of \$4,000
- UHC \$2,000/\$2,700 HSA
 - Employee only has a \$2,000 deductible
 - Family of 4:
 - One family member could hit \$2,700 or
 - 4 members could each hit \$675 to satisfy the FAMILY deductible of \$2,700
 - OOP is embedded \$6,500/\$13,000



PLANS

SMALL GROUP	AETNA	ANTHEM	CALIFORNIACHOICE
PLAN OFFERINGS	<ul style="list-style-type: none"> • MC/PPO (<i>no full-ntwk Platinum PPO</i>) • HSA • HMO (<i>one full-ntwk plan: Gold 25/55/0 deductible</i>) • ACO Whole Health EPO • No Indemnity 	<ul style="list-style-type: none"> • PPO • HSA • HMO 	<ul style="list-style-type: none"> • PPO (<i>Anthem: enhanced benefits</i> <ul style="list-style-type: none"> • <i>copay for unlimited office visits,</i> • <i>lowered OOP,</i> • <i>lowered/removed RX deductibles</i>) • EPO (Anthem) • HSA (HMO: Kaiser, Sharp, Sutter, UHC, WHA/ EPO: Anthem) • HMO (Anthem, Health Net, Kaiser, Sharp, Sutter, UHC, WHA) • HSP (Health Net) • Benefits and rates MATCH Kaiser, Sutter Plus Health, and Western Health Advantage Direct
TOP SELLING 2017 PLAN	<ul style="list-style-type: none"> • <i>Bronze MC HDHP 4800 60/50 HSA Plan</i> 	<ul style="list-style-type: none"> • <i>Silver PPO 2000/20%/5400 w/HSA – RxC</i> • <i>Platinum PPO 20/10%/4000</i> 	<ul style="list-style-type: none"> • <i>Kaiser Gold HMO B and Silver HMO B</i> • <i>Anthem Gold PPO A</i>

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
PLAN OFFERINGS	<ul style="list-style-type: none"> • PPO • HSA • HSP (Health Service Plan) • HMO • ACO CommunityCare HMO 	<ul style="list-style-type: none"> • PPO • HSA • HMO (Alliance HSA HMO) • EPO (Navigate)
TOP SELLING 2017 PLAN	<ul style="list-style-type: none"> • <i>SmartCare HMO Platinum 20</i> 	<ul style="list-style-type: none"> • <i>Select Plus PPO 20/250/20% Gold</i> • <i>Select Plus PPO 30/2000/30% Silver</i>



PLAN & NETWORK PAIRINGS

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
DUAL NETWORKS AND METALLIC TIERS	<ul style="list-style-type: none"> Full and Narrow networks and any combination of metallic levels ARE allowed at the same time; 5 plan maximum 	<ul style="list-style-type: none"> Group may offer 2 HMO networks (until Mar. 15, 2018) Any combination of metallic levels ARE allowed at the same time 	<ul style="list-style-type: none"> Full and Narrow networks ARE allowed at the same time within 2 adjacent metal tiers <ul style="list-style-type: none"> EX: Gold and Silver

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
DUAL NETWORKS AND METALLIC TIERS	<ul style="list-style-type: none"> Enhanced Choice <ul style="list-style-type: none"> HMO: Full, Wholecare, SmartCare, Salud HMO y Mas, CommunityCare Full Network PPO HSP EnhancedCare PPO Choice (L.A. County): <ul style="list-style-type: none"> HMO: Full, Wholecare, SmartCare, Salud HMO y Mas, CommunityCare EnhancedCare PPO Full Network Bronze PPO & Bronze HSA HSP 	<ul style="list-style-type: none"> Choice Simplified I: (excludes Plat. PPO 10/10% and Bronze \$6,300 HSA plans) <ul style="list-style-type: none"> Select Plus & Core PPO Navigate EPO Signature, Advantage, Alliance & Focus HMO Choice Simplified II: (includes Plat. PPO 10/10% and Bronze \$6,300 HSA plans) <ul style="list-style-type: none"> Select Plus & Core PPO Navigate EPO Signature & Advantage HMO Multi-Choice State: (includes less plan offerings & requires 75% to enroll with UHC alongside Kaiser) <ul style="list-style-type: none"> Select Plus (new in 2018) & Core PPO Navigate EPO Signature, Advantage, Focus and Alliance HMO's



PLANS

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
HSA OFFERINGS	<ul style="list-style-type: none"> HSA (\$4,800 & \$6,550) 	<ul style="list-style-type: none"> HSA: (\$2,000/\$2,700/\$4,000, \$4,500, & Select \$4,800, \$5,000, \$6,500) RxC: Rx copays after deduct. 	<ul style="list-style-type: none"> HSA (HMO: Kaiser, Sharp, Sutter, UHC, WHA/ EPO: Anthem)
EPO	<ul style="list-style-type: none"> EPO: PCP/referrals NOT required 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> EPO (Anthem): PCP/referrals NOT required HSP (Health Net): requires PCP selections but can refer within the network
ACO OFFERINGS	<ul style="list-style-type: none"> Whole Health MC/EPO <ul style="list-style-type: none"> MemorialCare, Primecare, Providence 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
HSA OFFERINGS	<ul style="list-style-type: none"> HSA (\$1,350/\$2,700, & \$5,600) 	<ul style="list-style-type: none"> HSA (\$2,000/\$2,700, \$4,800, & Multi-Choice State \$6,300)
EPO	<ul style="list-style-type: none"> HSP (Health Service Plan) HSP requires PCP selections but can refer within the network PureCare EPO no longer available 	<ul style="list-style-type: none"> EPO: Navigate requires PCP selections and electronic referrals to any Navigate provider
ACO OFFERINGS	<ul style="list-style-type: none"> CommunityCare HMO, LA & Orange Counties 	<ul style="list-style-type: none"> N/A



BENEFITS

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
DIFFERENT COST FOR HOSPITAL OWNED OUTPATIENT	<ul style="list-style-type: none"> Yes, on some EPO, HMO and MC 	<ul style="list-style-type: none"> <i>No but CT & MRI screened for hospital setting necessity</i> 	<ul style="list-style-type: none"> Varies by carrier

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
DIFFERENT COST FOR HOSPITAL OWNED OUTPATIENT	<ul style="list-style-type: none"> Yes, on HMO, Value PPO, EnhancedCare PPO, HSA 	<ul style="list-style-type: none"> Yes, all <i>Choice Simplified PPO and EPO plans (EXCEPT Platinum & HSA)</i> have a per occurrence at hospital affiliated facilities
OTHER	<ul style="list-style-type: none"> <i>CommunityCare Bronze HMO, Value PPO, and EnhancedCare PPO: integrated medical and RX deductible and deductible applies to all benefits except primary doctor visits</i> 	



BENEFITS

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
INFERTILITY	<ul style="list-style-type: none"> • <i>Included in all plans</i>, limited to \$2,000 lifetime max 	<ul style="list-style-type: none"> • Available at group level (\$90 PEPM) 	<ul style="list-style-type: none"> • Varies by carrier
CHIRO INCLUDED	<ul style="list-style-type: none"> • Included in EPO, HMO (some), MC 	<ul style="list-style-type: none"> • <i>Included</i> 	<ul style="list-style-type: none"> • Anthem EPO, HMO, PPO, Aetna HMO (some), UHC Signature, Alliance, Focus HMO, WHA HMO (some)
RIDERS	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Infertility 	<ul style="list-style-type: none"> • Chiro/Acu

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
INFERTILITY	<ul style="list-style-type: none"> • Available at group level (\$5.64 PMPM); <i>benefits do not apply to OOP</i> 	<ul style="list-style-type: none"> • Available on HMO at group level (4.8%) • <i>Included on PPO</i>, limited to \$2,000 lifetime max
CHIRO INCLUDED	<ul style="list-style-type: none"> • Included in Value PPO & HSA plans • <i>Benefits do not apply to OOP</i> 	<ul style="list-style-type: none"> • <i>Included</i>
RIDERS	<ul style="list-style-type: none"> • Infertility • Chiro (\$3 PEPM); HMO/HSP 	<ul style="list-style-type: none"> • Infertility



BENEFITS

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
VALUE ADD		<ul style="list-style-type: none"> • <i>PayForward: up to 15% cash back at 12K+ retailers</i> 	<ul style="list-style-type: none"> • <i>Business Suite Solutions: discounts</i>
TELEHEALTH	<ul style="list-style-type: none"> • Teledoc: \$40 or less • House calls through “Heal” are covered on MC/PPO plans 	<ul style="list-style-type: none"> • LiveHealth Online: \$49 or less • House calls through “Heal” are covered on PPO plans 	<ul style="list-style-type: none"> • Varies by carrier

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
VALUE ADD	<ul style="list-style-type: none"> • <i>Grandfathered plans</i> 	<ul style="list-style-type: none"> • <i>ACEC Engineering trust (composite rates written out of Illinois)</i> • <i>Fitness reimbursement</i> • <i>Real Appeal: weight loss program on PPO plans</i>
TELEHEALTH	<ul style="list-style-type: none"> • <i>Teledoc on CommunityCare HMO and EnhancedCare PPO for a \$0 copay</i> 	<ul style="list-style-type: none"> • Telehealth: PCP copay or \$25 whichever is less • House calls through “Heal” are covered on PPO plans <ul style="list-style-type: none"> • \$99 before deductible is met, then office visit copay applies • Preventive exams are covered 100%



PHARMACY

SMALL GROUP	AETNA	ANTHEM	CALIFORNIACHOICE
FORMULARY	<ul style="list-style-type: none"> • <i>Formulary: NEW CA Small Group ACA Formulary</i> • Transitioning members will be allowed a one-time fill 	<ul style="list-style-type: none"> • <i>Formulary: Select</i> • 83% approval to maintain current Rx • <i>OON Pharmacy is not covered</i> 	<ul style="list-style-type: none"> • Varies by Carrier • <i>Anthem PPO: Prescription benefits for out of network (OON) are no longer covered</i>
90 DAY MAIL ORDER	<ul style="list-style-type: none"> • 2x retail copay 	<ul style="list-style-type: none"> • Generic: 2.5x retail copay • Brand/Non-Preferred Brand: 3x retail copay • <i>90 day supply now allowed at retail pharmacies</i> 	

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
FORMULARY	<ul style="list-style-type: none"> • Formulary: Essential Rx • Tailored Pharmacy network for: CommunityCare HMO, Salud y Mas, SmartCare HMO, and EnhancedCare PPO includes: CVS, Walmart, Costco, Safeway and Vons but EXCLUDES Walgreens 	<ul style="list-style-type: none"> • PPO/EPO Formulary: NEW CA Custom PDL • HMO Formulary: SignatureValue Four Tier PDL • Difficult to get approval for a non-formulary PPO RX
90 DAY MAIL ORDER	<ul style="list-style-type: none"> • HMO <ul style="list-style-type: none"> • Generic: 2x retail copay • Brand/Non-preferred Brand: 2.5x retail copay • PPO/HSP: 2x retail copay 	<ul style="list-style-type: none"> • HMO: 2x retail copay • PPO: 2.5x retail copay



PPO NETWORKS

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
PPO	<ul style="list-style-type: none"> • MC: 83,245 Doctors / 333 Hospitals • Savings Plus MC: Palo Alto Medical Foundation excluded / 189 Hospitals (10-18% savings) • Whole Health • PPO: 83,387 Doctors / 333 Hospitals 	<ul style="list-style-type: none"> • Prudent Buyer PPO: 60,000 Doctors / 330 Hospitals • Select PPO: 40,000 Doctors / 300 Hospitals (Sutter Hospitals excluded) 	<ul style="list-style-type: none"> • Anthem Advantage Tiered PPO: PAMF and 9 Sutter Hospitals are in-network but most Sutter providers are not • Out of State Employees: Enroll in either Anthem Select PPO or Anthem Advantage (tiered) PPO
SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE	
PPO	<ul style="list-style-type: none"> • PPO: 55,459 Doctors / 316 Hospitals • EnhancedCare PPO: tailored network in LA 	<ul style="list-style-type: none"> • Select Plus PPO: 136,200 Doctors / 320 Hospitals; • Core PPO: 73,100 Doctors / 304 Hospitals • Both networks are available to OOS employees 	



EPO NETWORKS

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
EPO	<ul style="list-style-type: none"> ACO MC EPO: <ul style="list-style-type: none"> MemorialCare Providence PrimeCare 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> <i>Anthem EPO: 60,000 Doctors / 330 Hospitals (matches the Anthem direct Prudent Buyer PPO network)</i>

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
EPO	<ul style="list-style-type: none"> HSP (Health Service Plan): 34,645 Doctors / 224 Hospitals 	<ul style="list-style-type: none"> Navigate EPO: 72,300 Doctors / 285 Hospitals



HMO NETWORKS

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
HMO	<ul style="list-style-type: none"> • HMO: 75,336 Doctors / 316 Hospitals • HMO Deductible • Aetna Value Network (AVN): 45,891 Doctors/ 313 Hospitals • Basic HMO • PrimeCare HMO 	<ul style="list-style-type: none"> • California Care HMO : 42,000 Doctors / 330 Hospitals (<i>Matches Large Group HMO</i>) • Select HMO: 26,000 Doctors / 250 Hospitals 	<ul style="list-style-type: none"> • Sutter Health Plus expanded into Region 9, Santa Cruz • Western Health Advantage expanded into Regions, 1, 4, 5, 6, and 8 thru Canopy Health • Western Health Advantage loses UC Davis 1/1/18

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
HMO	<ul style="list-style-type: none"> • Full: 34,902 Doctors / 221 Hospitals • WholeCare: 25,335 Doctors / 177 Hospitals • SmartCare: 11,112 Doctors / 85 Hospitals • Salud HMO: 5,525 Doctors / 28 Hospitals • Community Care HMO (L.A. and Orange Counties) 	<ul style="list-style-type: none"> • Signature HMO (Full): 77,600 Doctors / 211 Hospitals • Advantage HMO (Narrow): 49,200 Doctors / 150 Hospitals, includes Canopy Health • Alliance HMO (High Performing in SoCA): 29,700 Doctors / 122 Hospitals • Focus HMO: 24,000 Doctors/ 110 Hospitals



CANOPY HEALTH

CANOPY HEALTH IS A PROVIDER CREATED NETWORK THAT CONTRACTS WITH HEALTH NET, UNITEDHEALTHCARE, AND WESTERN HEALTH ADVANTAGE

- Network includes: UCSF, John Muir, Dignity, Meritage, Marin General, Washington Hospital, San Ramon Regional, Hill Physicians, Sonoma Valley Hospital
- Member chooses a PCP in Canopy Health but can be referred to any provider in the Canopy Health network
 - Example: member that selected a John Muir medical group PCP in Walnut Creek, can be referred to a UCSF specialist in San Francisco
- Members will have a mobile cost estimator
- Member care shared among the Canopy Health system
- Available carrier networks:
 - UnitedHealthcare = SignatureValue Advantage HMO
 - Western Health Advantage = Full network
 - CalChoice includes Canopy thru Western Health Advantage
- In summary, member can save on premium dollars while they gain greater access to providers and benefit from concierge service and coordination of care



UNDERWRITING

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
START-UP	<ul style="list-style-type: none"> 2 weeks of payroll 	<ul style="list-style-type: none"> Allowed; 30 days of payroll within 45 days of the effective date 	<ul style="list-style-type: none"> 1-4 enrolled: 6 weeks 5+ enrolled: 1 week
DE-9C	<ul style="list-style-type: none"> 20+ enrolled: not required; tax documents no longer required for owners Virgin groups must always submit a DE-9C 	<ul style="list-style-type: none"> 6+ enrolled with prior coverage: not required (until Mar. 15, 2018) 	<ul style="list-style-type: none"> 10+ enrolled: not required if prior carrier bill within +/-10%
PRIOR CARRIER BILL	<ul style="list-style-type: none"> Not required 	<ul style="list-style-type: none"> Required 	<ul style="list-style-type: none"> 10+ enrolled: required if not submitting a DE-9C (variance of +/-10% allowed)

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
START-UP	<ul style="list-style-type: none"> 6+ enrolled: 6 weeks 	<ul style="list-style-type: none"> 1+ enrolled: 6 weeks
DE-9C	<ul style="list-style-type: none"> EnhancedCare Portfolio for 6+ enrolled allows prior carrier bill EnhancedCare Portfolio for 10+ enrolled allows Participation Certification form 	<ul style="list-style-type: none"> 10+ eligibles: Participation Certification form (doesn't apply to groups in business less than 6 weeks)
PRIOR CARRIER BILL	<ul style="list-style-type: none"> EnhancedCare Portfolio: 10+ enrolled: not required (until Jan. 15, 2018) 	<ul style="list-style-type: none"> Not required



UNDERWRITING

IMPROVED IMPLEMENTATIONS

- Anthem = 1 day turn around time and member ID's are included with group number
- UnitedHealthcare = average 3 days but member ID's not provided
 - 1-2 life groups will take longer and must use EFT payment option (binder checks no longer accepted)

STRICT SUBMISSION DEADLINES

- Aetna will not accept submission after the requested effective date

ID CARD EXPRESS

- Health Net guarantees ID cards 10 days within approval



PARTICIPATION

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
ALONGSIDE KAISER	<ul style="list-style-type: none"> 40% minimum or 5 enrolled, whichever is greater 	<ul style="list-style-type: none"> 5+ enrolled : 30% (until Mar. 15, 2018) 1-4 enrolled : 70% 	<ul style="list-style-type: none"> Carriers within portfolio do not require their own minimum participation
PARTICIPATION	<ul style="list-style-type: none"> 2+ EE's: 60% 	<ul style="list-style-type: none"> 5+ enrolled : 30% (until Mar. 15, 2018) 1-4 enrolled : 70% 	<ul style="list-style-type: none"> 1-2 employees: 100% 3-100: 70%
INDIVIDUAL COVERAGE	<ul style="list-style-type: none"> Not a valid waiver 	<ul style="list-style-type: none"> Valid waiver (on or off Exchange, until Mar. 15, 2018) 	<ul style="list-style-type: none"> Not a valid waiver
OUT OF STATE	<ul style="list-style-type: none"> 51% eligible in CA 	<ul style="list-style-type: none"> 51% eligible in CA 	<ul style="list-style-type: none"> 51% eligible in CA

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
ALONGSIDE KAISER	<ul style="list-style-type: none"> 1-5 eligible: 66% 6+ eligible: 50% EnhancedCare Portfolio allows 35% for 6+ eligible 	<ul style="list-style-type: none"> Choice Simplified: 60% required across both carriers PLUS minimum of 5 enrolled in CA
PARTICIPATION	<ul style="list-style-type: none"> 1-5 eligible: 66% 6+ eligible: 50% EnhancedCare Portfolio allows 35% for 6+ eligible 	<ul style="list-style-type: none"> 60% on Choice Simplified
INDIVIDUAL COVERAGE	<ul style="list-style-type: none"> Not a valid waiver 	<ul style="list-style-type: none"> Valid waiver (on or off Exchange)
OUT OF STATE	<ul style="list-style-type: none"> 51% eligible and enrolled in CA 	<ul style="list-style-type: none"> Will write groups with 51% out of state



SPECIAL OPEN WINDOW (11/15-12/15)

SMALL GROUP	AETNA	ANTHEM	CALIFORNIACHOICE
PARTICIPATION/ CONTRIBUTION	<ul style="list-style-type: none"> No minimum 	<ul style="list-style-type: none"> No minimum 	<ul style="list-style-type: none"> No minimum
ALONGSIDE KAISER	<ul style="list-style-type: none"> <i>Not permitted alongside Kaiser; Attestation form required</i> 	<ul style="list-style-type: none"> <i>Not permitted alongside Kaiser</i> 	<ul style="list-style-type: none"> Not permitted alongside Kaiser
FORMS/APPS	<ul style="list-style-type: none"> <i>Required for all eligibles</i> 	<ul style="list-style-type: none"> <i>Required for all eligibles</i> 	<ul style="list-style-type: none"> <i>Required for all eligibles</i>
RENEWAL	<ul style="list-style-type: none"> Renewed regardless of participation 	<ul style="list-style-type: none"> Renewed regardless of participation 	<ul style="list-style-type: none"> Recertification letter required

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
PARTICIPATION/ CONTRIBUTION	<ul style="list-style-type: none"> No minimum 	<ul style="list-style-type: none"> No minimum
ALONGSIDE KAISER	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> <i>Yes, minimum of 5 in CA must enroll on UHC</i>
FORMS/APPS	<ul style="list-style-type: none"> <i>Required for all eligibles</i> 	<ul style="list-style-type: none"> <i>Required for all eligibles</i>
RENEWAL	<ul style="list-style-type: none"> Reserves right to cancel due to low participation 	<ul style="list-style-type: none"> <i>May not be renewed due to low participation</i>



CHANGING EFFECTIVE DATES

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
ALLOWED?	<ul style="list-style-type: none"> • Yes 	<ul style="list-style-type: none"> • Yes 	<ul style="list-style-type: none"> • <i>Yes: approval required and move must be to align other benefits and must be to a different rating quarter than the original renewal date (e.g. 12/1 to 1/1 is ok)</i>
NEW RATES/BENEFITS?	<ul style="list-style-type: none"> • Yes 	<ul style="list-style-type: none"> • Yes 	<ul style="list-style-type: none"> • Yes
REQUIRED FORMS	<ul style="list-style-type: none"> • Letter 	<ul style="list-style-type: none"> • Policy Year Change form 	<ul style="list-style-type: none"> • Letter
DEADLINE	<ul style="list-style-type: none"> • <i>60 days in advance</i> 	<ul style="list-style-type: none"> • 2 weeks prior to requested effective date 	<ul style="list-style-type: none"> • <i>30 days in advance</i>

SMALL GROUP	HEALTH NET	UNITEDHEALTHCARE
ALLOWED?	<ul style="list-style-type: none"> • Yes: approval required 	<ul style="list-style-type: none"> • <i>Yes (approval waived for 4th Qtr. Groups)</i>
NEW RATES/BENEFITS?	<ul style="list-style-type: none"> • Yes 	<ul style="list-style-type: none"> • Yes
REQUIRED FORMS	<ul style="list-style-type: none"> • Letter 	<ul style="list-style-type: none"> • Policy Year Change form
DEADLINE	<ul style="list-style-type: none"> • Prior to requested effective date 	<ul style="list-style-type: none"> • <i>30 days</i>

Changing an effective date creates a true open enrollment for all carriers.



JANUARY RATES

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
RATE ACTION	<ul style="list-style-type: none"> MC: 0.0% HMO: 2.5% 	<ul style="list-style-type: none"> PPO : -0.4% HMO : 2.4% <i>Lowered original filing per State's request</i> 	<ul style="list-style-type: none"> <i>"Reverse" contribution worksheets</i>
YEAR OVER YEAR RATE INCREASE	<ul style="list-style-type: none"> 2.3 to 5.3% 	<ul style="list-style-type: none"> -0.5% to 8.8% 	<ul style="list-style-type: none"> Kaiser: 0.7 to 5.1% Anthem: -3.3 to 3.9%
NEW HIRE RATES	<ul style="list-style-type: none"> Age at enrollment 	<ul style="list-style-type: none"> Age at enrollment 	<ul style="list-style-type: none"> Age at enrollment

	HEALTH NET	UNITEDHEALTHCARE
RATE ACTION	<ul style="list-style-type: none"> PPO : 3.3% HMO : -0.2% 	<ul style="list-style-type: none"> <i>PPO : 2.5%</i> <i>HMO : -0.6%</i> <i>Didn't adjust original filing even though State recommended UHC to do so</i>
YEAR OVER YEAR RATE INCREASE	<ul style="list-style-type: none"> 2.4% 	<ul style="list-style-type: none"> -0.2 to 5.7%
NEW HIRE RATES	<ul style="list-style-type: none"> <i>Age at last renewal</i> 	<ul style="list-style-type: none"> Age at enrollment



SMALL GROUP COMMISSIONS

SMALL GROUP	AETNA	ANTHEM	CALIFORNIA CHOICE
SCHEDULE	<ul style="list-style-type: none"> 1-100: 5% flat Up to \$1 million annualized premium Commission decreases to 1% after 	<ul style="list-style-type: none"> 1-100: 5% flat Up to \$1 million annualized premium Commission decreases to .8% after 	<ul style="list-style-type: none"> <i>1-100: 5% flat</i>
	HEALTH NET	UNITEDHEALTHCARE	
SCHEDULE	<ul style="list-style-type: none"> 1-100: 5% flat Bonus: Q4 and January, starts at 10+ subscribers (earn \$25 to \$150 per employee) 	<ul style="list-style-type: none"> 1-100: 5% flat 	



ADVANTAGES OF SMALL GROUP

GROUPS MAY THINK LARGE GROUP IS BETTER THAN SMALL GROUP BUT THERE ARE SEVERAL ADVANTAGES OF THE 1-100 SEGMENT:

- Easy participation alongside Kaiser (ex: UHC allows 60% combined participation alongside Kaiser with a minimum of 5 enrolled with UHC in California)
- No loads based on health, multiple network offerings, or SIC codes
- Low annual rate trends

Small Group will not be better for all groups but it's an important conversation to have.



4th QUARTER REMINDERS

WHEN MOVING A GROUP TO A NEW CARRIER REMEMBER

- COBRA/CalCOBRA members
- Refill prescriptions
- Stop mail order RX deliveries
- Audit enrollment, plan selections, networks, PCP's, etc.
- Cancel prior coverage



IN SUMMARY

OUR TEAM

- Knowledgeable, professional staff company-wide

TOOLS & RESOURCES

- bpQuote enhancement: simplified Multi-Option data entry
- Custom Generators create customized searches of our tools
- Enhanced connectivity with EaseCentral: bpquote to EaseCentral, EaseCentral to bpunderwriting
- Rate, Benefit, Network, Underwriting, and Legislation Comparisons
- bpQuote and bpEnroll
- Opt-in for texts for rate, network, and legislation updates
- Follow us on Twitter @beerepurves for quick tips and carrier updates
- Subscribe to Beere&Purves on YouTube for archived webinars



IN SUMMARY

UNDERWRITING

- bpEnroll for free, initial online enrollment
- EaseCentral Setup for new groups and Subsidy (\$1.40 PEP, 1st year)
- Same day/next day enrollment materials
- Unlimited enrollment meetings with language assistance
- Real-time eligibility with Anthem
- 2-3 Day Turn Around Times

ONGOING SERVICE

- Provider and Rx Searches
- Admin Meetings, Exceptions, Adds and Deletes, Billing and Claims
- EaseCentral assistance at renewal



QUESTIONS?

