



## Health Net®

Health Net of California, Inc.  
Health Net Life Insurance Company  
PO Box 9103  
Van Nuys, CA 91409-9103  
A. Ortiz: CA-900-03-20

www.healthnet.com

«PH\_NAME»  
«GRP\_ADDR\_LINE\_1»  
«GRP\_ADDR\_LINE\_2» «GRP\_SUITE»  
«GRP\_CITY», «GRP\_STATE» «GRP\_ZIP»

August 28, 2015

Policyholder ID:  
«PHID»

### **Upcoming small group coverage renewal: changes and choices**

Dear «GRP\_ADDR\_LINE\_1»,

Hello! Thank you for choosing health coverage from Health Net of California, Inc. and/or Health Net Life Insurance Company (Health Net). We're proud to support the health of your employees – and your business.

Your renewal date is a few months away. We're writing today to let you know that all transitional relief plan(s) are closing, as well as some that are already ACA-compliant. The good news is that we have a solution for you!

#### **Plan closures**

- All Small Business Group (SBG) transitional relief plans will close effective December 1, 2015. These are plans that groups were allowed to keep into 2015 even though they weren't compliant with all ACA changes. Transitional relief plans include both plans offered by Health Net of California, Inc. and those underwritten by Health Net Life Insurance Company.
- WholeCare HMO, SmartCare HMO and Salud HMO y Más ACA-compliant plans that are offered through Health Net of California, Inc. and which were in effect prior to 2015 will be closed as of your renewal date. We now offer refreshed versions of these popular plan types.

#### **Plan choices – simplified, sustainable, small business-focused**

Keeping businesses like yours healthy and growing was the inspiration behind our December 2015 portfolio of health plans.

Our December 2015 portfolio features Full Network HMO plans. So if you have a Full Network HMO plan now, under transitional relief, you can move to our Full Network HMO ACA-compliant plan with no disruption!

*(continued)*

We're also bringing you the flexibility of picking an HMO plan design, then pairing it with any of the networks we offer in your location. The plan design stays the same. Simple.

And, of course, you also have your choice among our 2015 PPO, EPO and HSP plans.

**12/1/15 Health Net SBG Plans** (*availability varies by county*)

Health Net of California, Inc.	Health Net Life Insurance Company
<p>Tailored Network HMO plans</p> <p>These plans are available with choice of the SmartCare HMO, WholeCare HMO or Salud HMO y Más networks.</p> <ul style="list-style-type: none"> <li>• Platinum \$10</li> <li>• Platinum \$20</li> <li>• Gold \$30</li> <li>• Gold \$40</li> </ul> <p>Also available for December 1, 2015, renewals:</p> <ul style="list-style-type: none"> <li>• WholeCare HMO Gold Standard Copay</li> <li>• WholeCare HMO Platinum Standard Copay</li> </ul>	<ul style="list-style-type: none"> <li>• Health Net Platinum 90 PPO</li> <li>• Health Net Gold 80 PPO</li> <li>• Health Net Silver 70 PPO</li> <li>• Health Net Bronze 60 PPO</li> </ul>
<p>Full Network HMO plans</p> <ul style="list-style-type: none"> <li>• Platinum \$10</li> <li>• Platinum \$20</li> <li>• Gold \$30</li> <li>• Gold \$40</li> </ul>	<ul style="list-style-type: none"> <li>• Health Net Gold 80 EPO Alternate</li> <li>• Health Net Silver 70 HSA EPO Alternate</li> </ul>
<p>CommunityCare HMO plans</p> <ul style="list-style-type: none"> <li>• Silver \$30</li> <li>• Silver \$45</li> </ul>	
<ul style="list-style-type: none"> <li>• PureCare HSP Silver Standard Coinsurance</li> <li>• PureCare HSP Bronze Standard Coinsurance</li> </ul>	

Health Net also has Enhanced Choice package pairings so you have the choice to offer multiple plans to your employees.

**Renewal information coming soon**

We will send you a renewal package at least 60 days before your current plans expire. It will include detailed information about our plan offerings and corresponding rates.

Included will be the plan(s) most similar to the one you have now. You'll be able to move to that plan automatically, and Health Net will begin the process to automatically renew you in late October. Of course, you can work with your broker or Health Net directly to select among our other options. There will not be a gap in coverage.

*(continued)*

You and your employees will also have an opportunity to enroll for health coverage through the California Health Benefit Exchange (Covered California<sup>TM</sup>), without medical underwriting, for a December 1, 2015, effective date. As an employer, you can enroll in any small employer plans offered through Covered California for a December 1, 2015, effective date. Similarly, your employees will have an opportunity to enroll in any individual and family health plans offered through Covered California for a December 1, 2015, effective date. You will be able to obtain this coverage through the Covered California website at [www.CoveredCA.com](http://www.CoveredCA.com).

**Again, you don't have to take action now.** You'll soon receive your renewal package from Health Net that will have all the information you need!

### **The fine print**

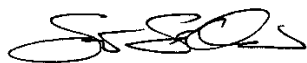
Health Net of California, Inc. has filed with the Department of Managed Health Care for regulatory approval to withdraw from the market the plans listed on page 1 of this letter and to offer replacement benefit designs. Health Net Life Insurance Company has filed with the California Department of Insurance to withdraw transitional relief PPO plans from the market and to offer replacement benefit designs.

This letter provides you with the required prior notice of discontinuance of your plan on your next renewal date. Health Net is required to send a letter to your employees about this coverage change. Included with this notice is a copy of the letter we'll be sending them. Also included is the notice required by the Centers for Medicare & Medicaid Services (CMS), which contains additional information on obtaining coverage through Covered California<sup>TM</sup> for Small Business (formerly the Small Business Health Options Program, or SHOP).

### **Here for you and your employees**

We appreciate your business and thank you for making us your trusted health care partner. For more information about Health Net's Small Business Group plans, please call your broker or Health Net at 1-800-447-8812, option 2.

Sincerely,



Scott St. Clair  
Chief Sales Officer, Western Region  
Individual & Small Business Group

Health Net HMO and HSP plans are offered by Health Net of California, Inc. Health Net PPO and EPO insurance plans are underwritten by Health Net Life Insurance Company. Health Net of California, Inc. and Health Net Life Insurance Company are subsidiaries of Health Net, Inc. Health Net is a registered service mark of Health Net, Inc. Covered California is a registered trademark of the State of California. All rights reserved.

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[www.healthnet.com](http://www.healthnet.com)

**Important: Your Group Health Coverage Will Not Be Available This Year.**

Dear «GRP\_ADDR\_LINE\_1»,

Our small business group transitional relief health plans close effective December 1, 2015. We are also closing some of our other plans. Your current coverage will end on December 1, 2015. This means **you may need to choose a new plan for your group members to have health insurance coverage.** This letter explains the options available to you.

### **Options from Health Net of California, Inc. and Health Net Life Insurance Company**

You can choose any other small group coverage offered by Health Net of California, Inc. and/or Health Net Life Insurance Company (Health Net). Call 1-800-447-8812, option 2, or visit [www.healthnet.com](http://www.healthnet.com) to learn about plans available to you.

### **What other options do I have?**

- You may be able to choose a new health plan, or offer your employees a choice of plans, through different insurance companies, through the California Health Benefit Exchange (Covered California™). If you have fewer than 25 full-time-equivalent employees, you might qualify for a small business health care tax credit if you buy insurance through Covered California.
- You can choose to buy a new health plan outside Covered California – directly from an insurance company or with the help of an agent or broker. But remember: If you're eligible for a small business health care tax credit, you usually can get that credit **only** if you buy a plan through Covered California.

### **What else should I look at before deciding?**

Call or visit the plan's website to check which doctors, other health care providers, and prescription medications are covered by the plan. This is an important step when choosing a plan that meets the needs of your group members.

### **When do I need to make a decision?**

You generally can buy coverage any time. If group members enroll by the 15th of the month, coverage can begin on the 1st of the following month.

*(continued)*

## **We are notifying your employees**

Federal law requires that we notify all group members with this coverage that it is no longer being offered. Because we might not know about other coverage decisions you have made, we'll tell your employees to check with the plan sponsor or administrator about coverage options that might be available through your organization.

## **Questions?**

- Call Health Net at 1-800-447-8812, from 9:00 a.m. to 5:00 p.m., Monday through Friday. Select option 2.
- Visit CoveredCA.com or call Covered California at 1-877-453-9198 to learn more about Covered California.

## **Getting help in other languages**

Spanish (Español): Para obtener asistencia en Español, llame al Health Net at 1-800-447-8812.

Chinese (中文)：如需中文協助，請致電 1-800-447-8812。

## Sample member letter, page 1



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«MBR\_FIRST\_NAME» «MBR\_LAST\_NAME»  
«MBR\_ADDR\_LINE\_1» «MBR\_ADDR\_LINE\_2»  
«MBR\_CITY», «MBR\_STATE» «MBR\_ZIP»

August 28, 2015

Subscriber ID:  
«RNUM»

### **Important information about your current health coverage**

Dear «MBR\_FIRST\_NAME» «MBR\_LAST\_NAME»,

Hello and thank you for choosing health coverage from Health Net of California, Inc. (Health Net). Having health insurance is very important, so we want you to know about an upcoming change that affects your coverage.

#### **What's changing**

Health Net is closing some of our plans, including the one you have now. We are closing:

- Transitional Relief plans – will be closed as of your renewal date. These are plans that employers were allowed to keep into 2015 even though they aren't compliant with all the Affordable Care Act (ACA) changes.
- WholeCare HMO, SmartCare HMO and Salud HMO y Más ACA-compliant plans that were in effect before 2015 – will be closed as of your renewal date. We now offer refreshed versions of these popular plan types.

Health Net of California, Inc. has filed with the Department of Managed Health Care for approval to withdraw certain HMO plans from the market and to offer replacement benefit designs. This letter is the required "prior notice of discontinuance" of your plan as of your next renewal date.

#### **Your health coverage choices effective December 1, 2015**

- **You can enroll in a health plan offered by your employer.** Health Net has new plans available for the 2015–2016 coverage year that your employer is reviewing. You will get information on your plan options soon from your employer, so you can choose the coverage that fits your health and your life.

*(continued)*

## Sample member letter, page 2

- **You also have the choice to enroll in coverage through Covered California™.** In addition to coverage offered through your employer, you will have an opportunity to enroll in any individual and family health plan offered through the California Health Benefit Exchange (Covered California), without medical underwriting, for a December 1, 2015, effective date. You will be able to obtain this coverage through the Covered California website at [www.CoveredCA.com](http://www.CoveredCA.com).

More information about health coverage choices through Covered California is included with this letter. Note that loss of employer coverage qualifies for a Special Enrollment Period.

Thanks again for choosing Health Net. We hope to be part of your health coverage team again next year!

Sincerely,



Scott St. Clair  
Chief Sales Officer, Western Region  
Individual & Small Business Group

Health Net HMO and HSP plans are offered by Health Net of California, Inc. Health Net of California, Inc. is a subsidiary of Health Net, Inc. Health Net is a registered service mark of Health Net, Inc. Covered California is a registered trademark of the State of California. All rights reserved.

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