

1/18 Small Business Group Dental and Vision Adult Buy-Up Guidelines

Group Eligibility:

- ◆ 2-50 eligible employees with over 50% of the total group located in Arizona, 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.
- ◆ Out-of-Area Requirements
 - A maximum of 49% of the total eligible population may be out of Arizona's service area, subject to the following rules.
 - A maximum of 49% of the total enrolled population may be out of Arizona's service area, subject to the following rules.
 - Those employees who are out of the Arizona service area may be written on a PPO plan.
- ◆ Carve-outs are not available.
- ◆ Dental may be written on a standalone basis or in conjunction with Medical.
- ◆ Vision must be written in conjunction with Medical.

Employee Eligibility:

- ◆ Probationary period for new hires can be first of the month following: date of hire, 1 month, 30 days, or 60 days. *Note:* the probationary period must match Medical.
- ◆ Eligible employees can be defined as employees working up to 40 hours per week.
- ◆ 1099 employees are not eligible for coverage.
- ◆ With the exception of owners, all employees must be covered by workers' compensation.

Enrollment Details:

- ◆ Groups enrolling in Health Net's Medical with Dental and/or Vision products or Standalone Dental:
 - Employee eligibility is based on the entire group.
 - Minimum participation for the products must be met.
 - Standard paperwork requirements must be met.

Rate Information:

- ◆ 12-month rate guarantee for cases sold/renewed in conjunction with Medical.
- ◆ Cases sold off cycle from Medical will have their first renewal in conjunction with Medical.

Submission:

- ◆ All cases requesting coverage on the 1st must be submitted by the 5th of the month for which coverage is to be effective.
- ◆ Mid-month effective dates are not allowed.

Vision Details:

- ◆ A minimum participation of 75% of the eligible employees is required for employer paid rates
- ◆ Group must contribute at least 75% and maintain the minimum group participation of 75% during contract period.
- ◆ Voluntary rates apply to groups with less than 75% participation.
- ◆ A minimum of 2 active subscribers is required.
- ◆ All rates are reserved for new groups only.
- ◆ All vision rates are guaranteed for 12 Months.
- ◆ There are no out-of-state requirements for Vision due to the national network; however, the company must be domiciled in Arizona.
- ◆ Dual Choice Vision is not available.

DPPO Details:

- ◆ Dental Enrollment is not contingent on medical enrollment. (May waive medical and enroll in dental plan)
- ◆ A minimum participation of 75% of the eligible employees is required for employer paid rates. *Note:* Employees waiving coverage due to group coverage through another employer (i.e. spousal coverage) will not count against participation.
- ◆ A minimum employer contribution of 50% of the employee premium is required for employer paid rates.
- ◆ A minimum of 2 active subscribers is required.
- ◆ Voluntary rates apply to those cases with less than 50% contribution or less than 75% participation.