



April 2014 Mid-Market 51-100 SmartCare Choice Quote Assumptions

Eligibility:

- ◆ 51-100 eligible employees with over 50% of the total group located in California, subject to out-of-area requirements below.
- ◆ Out-of-Area Requirements
 - A maximum of 49% of the group's enrolled and/or eligible population may be out of California's service area, subject to the following rules.
 - Those eligible employees who are out of the California service area but are in the Out of State PPO service area may be written on a PPO plan.
- ◆ Eligible employees can be defined as employees working at least 20 or 30 hours per week.
- ◆ Probationary period for new hires can be first of the month following Date of Hire, first of the month following 30 days, or first of the month following 1 month.
- ◆ With the exception of owners, all employees must be covered by workers' compensation.
- ◆ Retirees are not eligible for coverage.
- ◆ 1099s are not eligible for coverage.
- ◆ Carve-out groups are not eligible for coverage.
- ◆ Groups with Sharp medical coverage are not eligible for SmartCare Choice.

Rate/Coverage Information:

- ◆ 12-month rate guarantee
- ◆ Rates are available on a 4-tier composite basis.
- ◆ Quoted rates within 5% of the final rates will be honored.

Submission:

- ◆ First of the month effective dates are available.
- ◆ All cases must be submitted by the 1st of the month for which coverage is to be effective.

Broker Commission:

- ◆ A flat 4% commission will be paid for each group.
- ◆ Cases submitted through General Agents will not have a rating impact.

Partially Self-Funded Deductible Plans/Section 105 Plans:

- ◆ With the exception of the HRA product, under no circumstances may any plan, including HMO, EOA, POS, PPO, and HSA compatible plans, be combined with any form of partial self-funding or insuring of the deductible, be it in a wraparound, addition, or companion capacity.

Contribution/Participation/Minimum Enrollment:

- ◆ Sole Carrier
 - A minimum of 75% of the eligible employees are required to enroll.
 - A minimum of 38 eligible employees must enroll.
 - Additional flexibility in participation may be available based on case-specific information.
 - A minimum employer contribution to the employee rate of \$175 or 50% is required.
- ◆ Alongside Kaiser
 - Kaiser plans must be composite-rated.
 - A minimum of 75% of eligible employees are required to enroll across both carriers.
 - A minimum of 50% or 19 eligible employees, whichever is greater, must enroll.
 - Additional flexibility in participation may be available based on case-specific information.
 - A minimum employer contribution to the employer rate of \$175 or 50% is required.
 - If the employer contribution to Kaiser is higher than Health Net's minimums, the employer must match Kaiser's contribution.

Plan Offering:

- ◆ Groups may offer as many of the following plans as they would like:
 - Standard HMO SmartCare NG 10, 20, 30, 40, and 50
 - Standard HMO SmartCare NorCal NG 10, 20, 30, 40, and 50
 - Standard HMO Dual Network NG 20 and 30
 - Value HMO SmartCare NG 50
 - Value HMO SmartCare NorCal NG 50
 - Value HMO Dual Network NG 30 and 40
 - Standard PPO NG 10, 15, 20, 25, 30, 35, 40, and 45
 - Value PPO NG 10, 15, 20, 25, 30, 35, 40, and 45
 - Advantage PPO NG 45
 - Value HSA NG 4500
 - Value HSA NG 4500 HealthEquity
 - HRA NG 3000 and 5000
 - HRA NG 3000 HealthEquity and 5000 HealthEquity
 - Salud HMO y Mas NG 15, 25, and 35*
 - Salud Mexico NG*

*Service area restrictions apply.