

Health Net of California, Inc. and Health Net Life Insurance Company (Health Net)

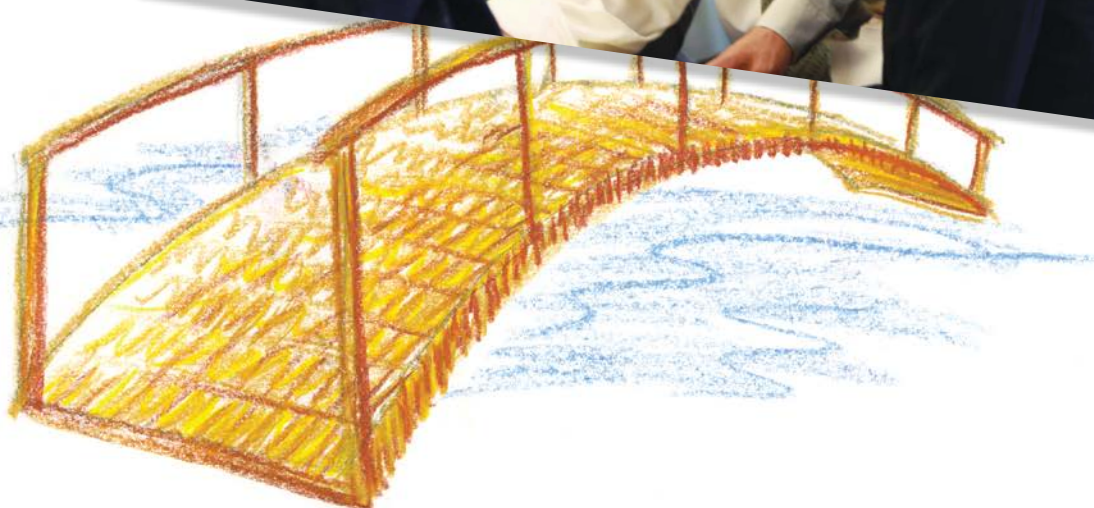
General Agent *Guide*

Your comprehensive resource for selling Small Group 2.0

Effective October 1, 2018



Christine Webster,
Health Net
*We facilitate strong
patient-doctor
relationships.*





Welcome *to Your* Q4 General Agent Guide

Here, the resources come together so you can offer Health Net health coverage solutions for Q4 2018 renewals and new sales.

More ways to satisfy and sell in Q4

Now you can offer more coverage and cost options with Health Net of California, Inc. and Health Net Life Insurance Company (Health Net). Effective October 1, 2018, we're bringing you and your brokers:

- **NEW! More PPO plan choices and price points**

Now Small Business groups have a choice of three additional PPO plans. Available in Platinum, Gold and Silver, these plans offer lower price points than our Standard plans and no integrated medical/Rx deductible like our Value plans.

- **NEW! CommunityCare HMO expands to San Diego**

CommunityCare HMO has expanded to San Diego. Now employers in Los Angeles, Orange and San Diego counties can offer CommunityCare HMO in Gold, Silver and Bronze.

- **Enhanced Choice package names back to A and B**

It's back to simplicity for Enhanced Choice – our option for clients who want to offer multiple plans to their employees. You'll see Package A and Package B in our Q4 materials, including the group enrollment form.

- **Premium rates are holding steady**

Q4 premium rates are very similar to Q3 rates. On average, our HMO plan premiums are 1.2% lower this quarter, and our PPOs are up 1.6%.

Q3 earning opportunities continue in Q4 2018

- Salud HMO y Más sales require only two active subscribers – there are no participation percentages to hit!
- Enhanced Choice Package B comes with less paperwork and relaxed participation requirements.
- \$100 per member broker bonus for every new Small Business Group sale with Q3 and Q4 2018 effective dates.
- Lower priced Platinum \$30 and Gold \$35 HMOs give you more ways for clients to find the right mix of coverage and cost.

Together, we can help keep employees healthy, companies strong and your business growing. Look inside for all the details.

What You'll Find Inside

Easy Money: Bonus Program for Q3 and Q4 New Sales 1

New Underwriting Deals 3

California Small Group Portfolio 4



Geoffrey Gomez,
Health Net
*We build tools to simplify
administration and sales.*



Vicki Major
Health Net

Easy Money

Bonus program for Q3 and Q4 new sales

Introducing our simplest bonus program yet!

\$100 per member

You'll earn a \$100 per member bonus for every new Small Business Group sale you make in Q3 and Q4 2018. There is no limit, and there are no differences in how you sell.

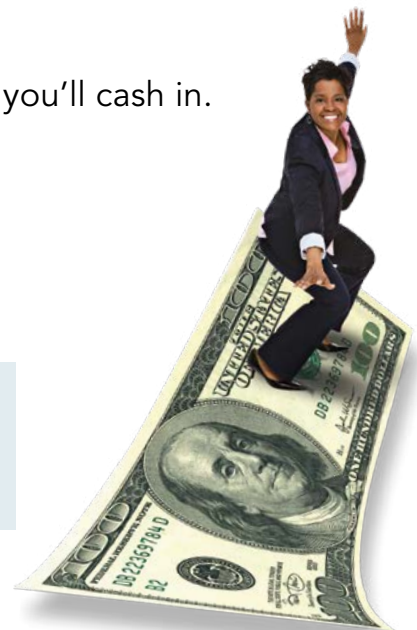
Work through a general agent? Earn \$100 per member.

Bring a group directly to Health Net? Earn \$100 per member.

Let us show you the money!

Bring your clients home to Health Net, and you'll cash in.

Please call your Health Net sales representative or Broker Services at **1-800-448-4411, option 4**, for more details.



A few rules and regulations apply (see the program guidelines on the next page).

Program guidelines

- Group/Membership eligibility
 - A Small Group consists of 1–100 employees; groups and members must be active at the end of the program quarter for brokers to be eligible for payment.
 - New Small Business Group members are those who have the same enrollment effective date as the employer group’s original Health Net effective date (i.e., if an employer group’s original effective date is 10/1/18, then the members must also have an effective date of 10/1/18).
 - Bonus is based on the number of members with a Health Net medical plan. Enrollment in dental, vision, prescription drug, or life insurance plans, or covered by COBRA or other continuation plans, is not counted for bonus eligibility.
 - Ineligible: association business, CalChoice groups.
- Broker eligibility
 - Participating brokers must be in good standing with a current, signed Health Net broker contract and valid license on file.
 - To be credited, a broker must be the broker of record at the time of the quarter close.
 - Groups split with another broker for commission purposes will be split for this bonus program.
 - General agents are excluded from participation; the credit for group business submitted via a general agent will be credited to the individual broker.
- Bonus total will be determined 60 days after the end of the program quarter. Membership numbers as of the date of the qualifying period report will be used to compute bonus payouts and will be considered final.
- Payments will be reported on 1099s and 5500s.
- Health Net reserves the right to change or terminate this program.



Two New Underwriting Deals Make a Big Splash!

We have two deals for new Small Business Group sales that make it easier to quote so that you can bring in more business! Both deals are available for effective dates from July 1, 2018, through December 31, 2018.

1

Skip the paperwork with the Enhanced Choice B package!

This is our package that gives employers the choice of offering any combination of these plans: HMO, HSP, EnhancedCare PPO, and Bronze Full Network PPO plans. Here's how it works:



Questions about these underwriting promotions? Call your Health Net account executive. Or call Broker Services at 1-800-448-4411, option 4.

Groups of 10+	<i>No DE-9C, payroll or prior carrier bill is required for groups of 10 or more eligible employees that enroll a minimum of 10 active subscribers.</i>
Caveats	<ul style="list-style-type: none"> • The employer must fill out a participation attestation indicating that they are meeting 50% participation. • Eligible employees who are waiving coverage will be required to fill out waivers.

Groups of 6+	<i>Groups of 6 or more eligible employees that enroll a minimum of 6 active subscribers may submit a prior carrier bill in lieu of a DE-9C.</i>
Caveats	<ul style="list-style-type: none"> • All but 2 employees on the prior carrier bill must enroll. • If more than 2 employees on the prior carrier bill are not enrolling for any reason, including termination or leave of absence, the group is not qualified for the promotion. • If the group enrolls 1–2 employees not on the prior carrier bill, payroll will NOT be required. • If the group enrolls 3+ employees not on the prior carrier bill, 2 weeks of payroll is required for each enrollee not on the bill. • Waivers are not required for anyone not enrolling.

2

Sell Salud with 2!

Now your clients can offer Salud HMO y Más – one of our most affordable plan designs – with just two active subscribers.

- No participation percentages to hit.
- Groups may mix and match any plans that come with the Salud HMO y Más Network.
- Plus, Salud HMO y Más can now be written alongside other carriers.

This offer is available to all groups that meet the definition of a “small employer” as defined by federal and state legislation.

Note: All other standard paperwork and underwriting guidelines apply.

Plan name	Member(s) responsibility									
	Deductible (single / family)	Out-of-pocket maximum (single / family)	Office / Specialist visit	Lab / X-rays	Outpatient surgery (ASC / hospital)	Inpatient hospital	Emergency room facility	Urgent care	Pharmacy	
									Rx brand deductible	Rx drug tier 1 / 2 / 3 / 4
Full HMO, WholeCare HMO, SmartCare HMO, and Salud HMO y Más¹ Available through Health Net of California, Inc.										
Platinum \$10	None	\$2,000 / \$4,000	\$10 / \$30	\$10 / \$10	\$40 / \$100	\$300 per admission	\$100	\$30	\$0	\$5 / \$30 / \$50 / 30% ²
Platinum \$20	None	\$3,000 / \$6,000	\$20 / \$40	\$10 / \$10	\$200 / \$500	\$700 per admission	\$150	\$40	\$0	\$5 / \$30 / \$50 / 30% ²
Platinum \$30	None	\$2,250 / \$4,500	\$30 / \$50	\$20 / \$50	\$150 / \$150	\$500 per day (4-day max copay per admission)	\$250	\$30	\$0	\$5 / \$20 / \$30 / 30% ²
Gold \$30	None	\$5,000 / \$10,000	\$30 / \$50	\$40 / \$40	\$360 / \$900	\$1,200 per admission	\$300	\$50	\$0	\$15 / \$50 / \$70 / 30% ²
Gold \$35	None	\$6,000 / \$12,000	\$35 / \$55	\$40 / \$50	\$480 / \$1,200	\$750 per day (3-day max copay per admission)	\$300	\$55	\$0	\$15 / \$50 / \$70 / 30% ²
Gold \$40	None	\$6,000 / \$12,000	\$40 / \$60	\$40 / \$40	\$440 / \$1,100	\$1,300 per admission	\$300	\$60	\$0	\$15 / \$50 / \$70 / 30% ²
Silver \$40	None	\$7,200 / \$14,400	\$40 / \$60	\$40 / \$50	40% / 50%	\$750 per day (3-day max copay per admission)	50%	\$60	\$250	\$20 / 50% / 50% / 50% ²
CommunityCare HMO¹ Available through Health Net of California, Inc.										
Gold \$5	\$1,500 / \$3,000	\$6,000 / \$12,000	1st visit: \$0 ³ / \$30 ³ Visit 2+: \$5 ³ / \$30 ³	\$10 ³ / \$10 ³	20% / 30%	30%	\$150	\$30 ³	\$0	\$5 / \$40 / \$60 / 30% ²
Silver \$20	\$2,000 / \$4,000	\$7,250 / \$14,500	1st visit: \$0 ³ / \$45 ³ Visit 2+: \$20 ³ / \$45 ³	\$40 / \$50	40% / 50%	50%	\$300	\$45 ³	\$150	\$10 / \$50 / \$60 / 50% ²
Bronze \$45	\$3,750 / \$7,500	\$7,350 / \$14,700	\$45 / \$60	50% / 50%	50% / 50%	50%	50%	\$60	Integrated medical Rx deductible	\$15 ³ / \$50 / 50% / 50% ⁴

Plan name	Member(s) responsibility										
	Deductible (single / family)	Out-of-pocket maximum (single / family)	Coinsurance	Office / Specialist visit	Lab / X-rays	Outpatient surgery (ASC / hospital)	Inpatient hospital	Emergency room facility	Urgent care	Pharmacy	
										Rx deductible (single / family)	Rx drug tier 1 / 2 / 3 / 4
PPO¹ Available through Health Net Life Insurance Company and Covered California TM											
Platinum 90 PPO 0/15 + Child Dental	None	\$3,350 / \$6,700	10%	\$15 / \$30	\$15 / \$30	10% / 10%	10%	\$150	\$15	\$0	\$5 / \$15 / \$25 / 10% ²
Platinum 90 PPO 250/15 + Child Dental Alt	\$250 / \$500	\$3,600 / \$7,200	10%	\$15 ³ / \$30 ³	\$30 ³ / \$30 ³	10%	10%	10%	\$30 ³	\$0	\$5 / \$30 / \$50 / 10% ²
Gold 80 PPO 0/25 + Child Dental	None	\$6,000 / \$12,000	20%	\$25 / \$55	\$35 / \$55	20% / 20%	20%	\$325	\$25	\$0	\$15 / \$55 / \$75 / 30%
Gold 80 PPO 1000/30 + Child Dental Alt ⁵	\$1,000 / \$2,000	\$7,200 / \$14,400	30%	\$30 ³ / \$50 ³	\$30 ³ / \$35 ³	30%	30%	30%	\$50 ³	\$0	\$15 / \$30 / \$50 / 30% ²
Gold 80 Value PPO 750/10 + Child Dental Alt	\$750 / \$1,500	\$7,150 / \$14,300	30%	\$10 ³ / \$30	\$20 / \$20	20% / 30%	30%	\$250	\$30	\$750 / \$1,500 Integrated med / Rx deductible	\$10 ³ / \$25 / \$50 / 30% ²
Silver 70 PPO 2000/45 + Child Dental	\$2,000 / \$4,000	\$7,000 / \$14,000	20%	\$45 ³ / \$75 ³	\$40 ³ / \$70 ³	20% ³ / 20% ³	20%	\$350 ³	\$45 ³	\$125 / \$250 All drug deductible	\$15 / \$55 / \$85 / 20% ²
Silver 70 PPO 2000/55 + Child Dental Alt ⁵	\$2,000 / \$4,000	\$7,350 / \$14,700	40%	\$55 ³ / \$75 ³	\$40 ³ / \$65 ³	40%	40%	40%	\$75 ³	\$300 / \$600	\$15 ³ / \$65 / \$85 / 40% ²
Silver 70 Value PPO 1700/30 + Child Dental Alt	\$1,700 / \$3,400	\$7,150 / \$14,300	40%	\$30 ³ / \$75	\$50 / \$50	30% / 40%	40%	\$300	\$75	\$1,700 / \$3,400 Integrated med / Rx deductible	\$15 ³ / \$55 / \$85 / 40% ²
Silver 70 HDHP 1350/40 PPO + Child Dental Alt	\$1,350 / \$2,700	\$6,550 / \$13,100	30%	\$40 / \$60	30% / 30%	20% / 30%	30%	30%	\$60	\$1,350 / \$2,700 Integrated med / Rx all drug deductible	\$19 / \$40 / \$60 / 30% ²

HSP, HMO and Salud con Health Net HMO plans are offered by Health Net of California, Inc. PPO insurance plans are underwritten by Health Net Life Insurance Company. Vision plans, other than pediatric vision, are underwritten by Fidelity Security Life Insurance Company and serviced by EyeMed Vision Care, LLC. Health Net Dental HMO plans, other than pediatric dental, are offered and administered by Dental Benefit Providers of California, Inc. (DBP). Health Net Dental PPO and indemnity plans, other than pediatric dental, are underwritten by Unimerica Life Insurance Company. Obligations of Fidelity Security Life Insurance Company, DBP and Unimerica Life Insurance Company are not the obligations of, nor guaranteed by, Health Net, Inc. or its affiliates. Pediatric vision plans are provided by Health Net of California, Inc. Pediatric dental HMO plans are provided by Health Net of California, Inc. Pediatric dental PPO and indemnity 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.

Plan name	Member(s) responsibility										
	Deductible (single / family)	Out-of-pocket maximum (single / family)	Coinsurance	Office / Specialist visit	Lab / X-rays	Outpatient surgery (ASC / hospital)	Inpatient hospital	Emergency room facility	Urgent care	Pharmacy	
										Rx deductible (single / family)	Rx drug tier 1 / 2 / 3 / 4
Bronze 60 PPO 6300/75 + Child Dental	\$6,300 / \$12,600	\$7,000 / \$14,000	100% ⁶	\$75 ⁷ / \$105 ⁷	\$40 ³ / 100% ⁶	100% ⁶ / 100% ⁶	100% ⁶	100% ⁶	\$75 ⁷	\$500 / \$1,000 All drug deductible	100% ⁸
Bronze 60 HDHP 5600/15 PPO + Child Dental Alt	\$5,600 / \$11,200	\$6,550 / \$13,100	20%	\$15 / \$30	20% / 20%	10% / 20%	20%	20%	\$30	\$5,600 / \$11,200 Integrated med / Rx all drug deductible	\$5 / \$15 / \$40 / 20% ⁴
EnhancedCare PPO Available through Health Net Life Insurance Company and Covered California™											
Platinum 90 EnhancedCare PPO 250/15 + Child Dental Alt	\$250 / \$500	\$3,600 / \$7,200	10%	\$15 ³ / \$30 ³	\$30 ³ / \$30 ³	10%	10%	10%	\$30 ³	\$0	\$5 / \$30 / \$50 / 10% ²
Gold 80 EnhancedCare PPO 1000/30 + Child Dental Alt	\$1,000 / \$2,000	\$7,200 / \$14,400	30%	\$30 ³ / \$50 ³	\$30 ³ / \$35 ³	30%	30%	30%	\$50 ³	\$0	\$15 / \$30 / \$50 / 30% ²
EnhancedCare PPO Gold Value ⁵	\$750 / \$1,500	\$7,150 / \$14,300	30%	\$10 ³ / \$30	\$20 / \$20	20% / 30%	30%	\$250	\$30	\$750 / \$1,500 Integrated med / Rx deductible	\$10 ³ / \$25 / \$50 / 30%
Silver 70 EnhancedCare PPO 2000/55 Child Dental Alt	\$2,000 / \$4,000	\$7,350 / \$14,700	40%	\$55 ³ / \$75 ³	\$40 ³ / \$65 ³	40%	40%	40%	\$75 ³	\$300 / \$600	\$15 ³ / \$65 / \$85 / 40% ²
EnhancedCare PPO Silver Value ⁵	\$1,700 / \$3,400	\$7,150 / \$14,300	40%	\$30 ³ / \$75	\$50 / \$50	30% / 40%	40%	\$300	\$75	\$1,700 / \$3,400 Integrated med / Rx deductible	\$15 ³ / \$55 / \$85 / 40%
Silver 70 HDHP 1350/40 EnhancedCare PPO + Child Dental Alt	\$1,350 / \$2,700	\$6,550 / \$13,100	30%	\$40 / \$60	30% / 30%	20% / 30%	30%	30%	\$60	\$1,350 / \$2,700 Integrated med / Rx deductible	\$19 / \$40 / \$60 / 30%
Bronze 60 HDHP 5600/15 EnhancedCare PPO + Child Dental Alt	\$5,600 / \$11,200	\$6,550 / \$13,100	20%	\$15 / \$30	20% / 20%	10% / 20%	20%	20%	\$30	\$5,600 / \$11,200 Integrated med / Rx all drug deductible	\$5 / \$15 / \$40 / 20%
PureCare HSP¹ Available through Health Net of California, Inc.											
Platinum 90 HSP 0/15	None	\$3,350 / \$6,700	10%	\$15 / \$30	\$15 / \$30	10% / 10%	10%	\$150	\$15	\$0	\$5 / \$15 / \$25 / 10% ²
Gold 80 HSP 0/25	None	\$6,000 / \$12,000	20%	\$25 / \$55	\$35 / \$55	20% / 20%	20%	\$325	\$25	\$0	\$15 / \$55 / \$75 / 20% ²
Silver 70 HSP 2000/45	\$2,000 / \$4,000	\$7,000 / \$14,000	20%	\$45 ³ / \$75 ³	\$40 ³ / \$70 ³	20% ³ / 20% ³	20%	\$350 ³	\$45 ³	\$125 / \$250	\$15 / \$55 / \$85 / 20% ²
Bronze 60 HSP 6300/75	\$6,300 / \$12,600	\$7,000 / \$14,000	100% ⁶	\$75 ⁷ / \$105 ⁷	\$40 ³ / 100% ⁶	100% ⁶ / 100% ⁶	100% ⁶	100% ⁶	\$75 ⁷	\$500 / \$1,000	100% ⁸

(continued)

Two packages that offer multiple plans

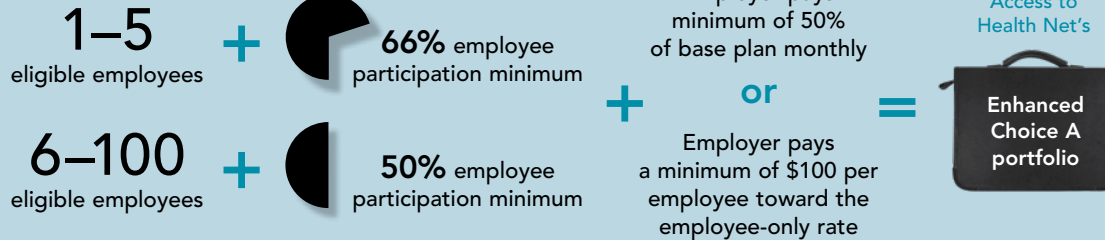
Enhanced Choice A

Full Network HMO
WholeCare HMO
SmartCare HMO
Salud HMO y Más
CommunityCare HMO
PureCare HSP
Full Network PPO

Enhanced Choice A Participation Requirements

The Enhanced Choice A package is available statewide.

How it works



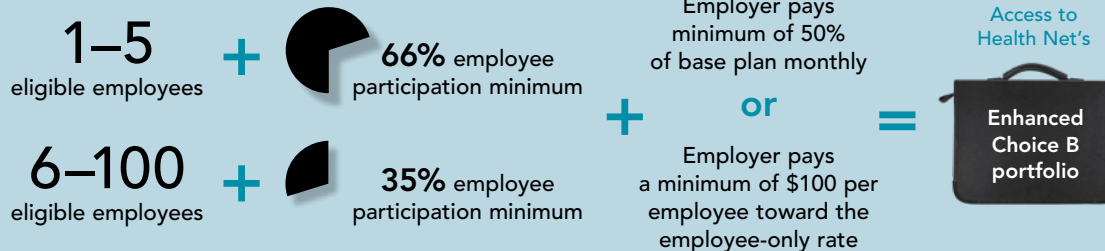
Enhanced Choice B

Full Network HMO
WholeCare HMO
SmartCare HMO
Salud HMO y Más
CommunityCare HMO
PureCare HSP
EnhancedCare PPO
Full Network PPO Bronze

Enhanced Choice B Participation Requirements

The Enhanced Choice B package is available statewide and comes with relaxed participation for groups with 6–100 employees. In regions 15 and 16, EnhancedCare PPO is a plan option.

How it works



Dental plan	Plan pays		Member pays			
	Orthodontia	Annual plan maximum	Annual deductible	Cleanings	Exams	X-rays
DPPO Classic 5 1500	50% / \$1,500 lifetime max.	\$1,500	\$50 / \$150	\$0 ³	\$0 ³	\$0 ³
DPPO Classic 4 1500	Not covered	\$1,500	\$50 / \$150	\$0 ³	\$0 ³	\$0 ³
DPPO Essential 2 1000	Not covered	\$1,000	\$50 / \$150	\$0 ³	\$0 ³	\$0 ³
DPPO Essential 5 1500	50% / \$1,500 lifetime max.	\$1,500	\$50 / \$150	\$0 ³	\$0 ³	\$0 ³
DPPO Essential 6 1500	Not covered	\$1,500	\$50 / \$150	\$0 ³	\$0 ³	\$0 ³
DHMO Plus 150	100% over \$1,695	N/A	N/A	\$0	\$0	\$0
DHMO Plus 225	100% over \$1,695	N/A	N/A	\$0	\$0	\$0

Vision plan	Member pays	
	Exam / Frames	Lenses (single / bifocal / trifocal / progressive)
Preferred 1025-2	\$10 copay / \$0 copay, up to \$100 allowance	\$25 / \$25 / \$25 / \$90
Preferred 1025-3	\$10 copay / \$0 copay, up to \$100 allowance	\$25 / \$25 / \$25 / \$90
Preferred Value 10-2	Not covered / \$0 copay, up to \$100 allowance	\$10 / \$10 / \$10 / \$75

Infertility benefits are available on all plans at an additional cost.

¹Counties available:

PPO: Available in all counties.

EnhancedCare PPO: Los Angeles County.

Full HMO, WholeCare HMO, PureCare HSP: All or parts of Alameda, Contra Costa, El Dorado, Fresno, Kern, Kings, Los Angeles, Madera, Marin, Merced, Napa, Nevada, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Tulare, Ventura, and Yolo counties.

SmartCare HMO: All or parts of Los Angeles, Orange, Riverside, San Diego, San Bernardino, Santa Clara, and Santa Cruz counties.

Salud HMO y Más: All or parts of Kern, Los Angeles, Orange, Riverside, San Bernardino, and San Diego counties.

CommunityCare: Los Angeles, Orange and San Diego counties.

²Maximum copayment after deductible (if any) of \$250 for an individual prescription of up to a 30-day supply on Tier 4 drugs.

³Deductible waived.

⁴Maximum copayment after deductible (if any) of \$500 for an individual prescription of up to a 30-day supply on Tier 4 drugs.

⁵Not available through Covered California.

⁶After the medical deductible has been reached, the member is responsible for 100% of the eligible charges until the out-of-pocket maximum limit is met.

⁷Visits 1–3: The calendar year deductible is waived (combined between office visits, urgent care, prenatal and postnatal visits, outpatient mental health/substance abuse).

Visits 4–unlimited: The calendar year deductible applies.

⁸After the pharmacy deductible has been met, you pay 100% of the cost for all Tier 1, Tier 2, Tier 3, and Tier 4 drugs. Maximum after deductible of \$500 for an individual prescription of up to a 30-day supply until the out-of-pocket maximum has been met.

