

## 1/25 Small Group Enhanced Choice Underwriting Guidelines

### Eligibility:

- ◆ 1-100 employees with a principal business address in California, 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 or partner.
- ◆ Out-of-Area Requirements
  - The majority of employees must be employed in California.
  - Eligible employees residing in the United States, but outside of the California service area, may be written on a PPO plan.
- ◆ Probationary period for new hires can be first of the month following the date of hire, or 1 month, 30 days, or 60 days, after the date of hire.
- ◆ Carve-outs are not available.
- ◆ Eligible employees can be defined as employees working an average of 20 or 30 hours per week.
- ◆ 1099s are not eligible for coverage.

### Contribution/Participation:

- ◆ A minimum employer contribution to the employee rate of \$100 or 50% of the lowest cost plan is required.
- ◆ For groups of 1-4 enrolling employees, a minimum of 70% participation is required. For groups of 5-100 enrolling employees, a minimum of 25% participation is required.
- ◆ Health Net is not required to be sole carrier as long as participation guidelines are met.
- ◆ Eligible employees waiving coverage due to group coverage through another employer (e.g., spousal coverage) will not count against participation.

### Rate Information:

- ◆ 12-month rate guarantee for new and renewing business.
- ◆ Rating is based on the employer's principal business address in California for all employees.
- ◆ Age-banded rates only.

### Submission:

- ◆ All cases requesting coverage on the 1<sup>st</sup> must be submitted by the 5<sup>th</sup> of the month for which coverage is to be effective.
- ◆ For groups effective on the 15<sup>th</sup> cases must be submitted by the 20<sup>th</sup> of the month for which coverage is to be effective. *Note:* This option is available for groups losing coverage mid-month only.
- ◆ For groups not meeting participation and/or contribution guidelines, cases must be submitted between 11/15 and 12/15 for a 1/1 effective date.

### Choices:

- ◆ Groups of 2 or more can mix and match all plans in any of the following networks:
  - Full Network HMO
  - WholeCare HMO
  - SmartCare HMO
  - Salud HMO y Más
  - PPO
- ◆ Service area restrictions apply to all networks with the exception of PPO.

### Riders:

- ◆ If selected, the chiropractic rider will be applied to all plans within the package.
- ◆ If selected, the infertility rider will be applied to all plans within the package.

### PEO Groups:

- ◆ The group must demonstrate it has the right to direct the work of its employees, as well as the right to make personnel decisions, such as hiring and firing.
- ◆ All standard underwriting guidelines apply.