Anthem



1–100 Small Group underwriting guidelines

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Useful links

Anthem website
anthem.com/ca

Broker Portal
Use this link to access **Quoting Tool**, **Renewals**, **Producer Toolbox**, **Bills**, and **Broker News**.
brokerportal.anthem.com/apps/ptb/login

Census enrollment
employer.anthem.com/eea/public/login

Easy renew
anthem.com/easyrenew

BrokerHub
anthembrokerhub.com

Standard Industrial Classification (SIC) codes
osha.gov/data/sic-search

The benefits guide
thebenefitsguide.com

Summary of Benefits
plan-summaries.anthem.com/sobdps

Summary of Benefits and Coverage (SBC)/ Summary of Dental Benefits and Coverage (SDBC)
sbc.anthem.com

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Introduction to the underwriting process

This guide will provide you with clear guidance to help your clients choose the best healthcare options. At Anthem Blue Cross (Anthem), our goal is to continuously improve the way small business provides health benefits to their employees, while being a strategic partner with our broker community. We want to help you grow your book of business, increase client retention, and create an easy-to-do-business-with environment.

Agents are not authorized to bind or guarantee issue coverage. Anthem will make the final decision to accept or decline a case. Please advise your prospective clients to maintain their current coverage until we notify them in writing that Anthem has approved their coverage. While Anthem is committed to keeping all parties informed of changes to the Small Group underwriting guidelines in a timely manner, Anthem may change the guidelines without prior notice.

Thank you for choosing Anthem.



General underwriting guidelines for Small Group business

Group eligibility requirements

An employer who meets the eligibility requirements under the Affordable Care Act (ACA) and under the California Small Group regulations is eligible for guarantee issue and guaranteed renewal under a Small Group health plan.

- A small employer is defined as employing an average of at least one, but no more than 100, full-time (including full-time-equivalent) employees during the preceding calendar year or preceding calendar quarter and who employs at least one employee on the first day of the plan year. For purposes of determining employer eligibility in the small employer market, California adopted the federal method for counting full-time employees and full-time-equivalent employees (SB 125, 2015).
- An employer must be a person, firm, proprietary, or nonprofit corporation, partnership, public agency, or Guaranteed Association. The employer must be actively engaged in business or service.
- An employer must have and maintain business licensure and/or appropriate state filings, allowing the company to conduct business in California.
- The group must be headquartered in California.
- An employer must not have been formed primarily for the purpose of obtaining health insurance.
- An employer must involve a bona fide employer-employee relationship.
- An individual who wholly owns the company or with their spouse or domestic partner, the spouses of sole proprietors, partners of a partnership and their spouses, a 2% S-Corporation shareholder, a worker described in Section 3508 of Title 26, Internal Revenue Code, or a leased employee, as defined in 26 U.S.C. § 414(n)(2), does not qualify as an employee for purposes of group eligibility.

Aggregation rules — All employers treated as a single employer under Section 414(b), (c), (m), or (o) of the Internal Revenue Service (IRS) code are treated as a single employer for purposes of determining group size. Therefore, all employees of a controlled group of entities under Section 414(b) or (c), an affiliated service group under Section 414(m), or an entity in an arrangement described under Section 414(o) are considered in determining whether the members of the controlled group or affiliated service group together are an applicable large employer.

Affiliated companies — Under common control are required to enroll separately unless they are eligible to file a combined tax return for the purposes of state taxation. In determining group size, affiliated companies eligible to file a combined tax return for purposes of state taxation are considered one employer, even if they are not presently filing together.

Ineligible for group coverage:

- Owner-only group: on their own or with their spouse or domestic partners, officers, or partners.
- Carve-out groups.
- Employer groups with less than 51% of employees working in California.
- Seasonal, temporary, and substitute employees, defined as employees hired with a planned future termination date.
- Contract employees (1099) or employees compensated on a 1099 basis.
- Sole proprietors, spouses of sole proprietors, partners of a partnership, and the spouses of the partners.
- Employees who reside outside of the 48 contiguous states, Washington, D.C., Alaska, Puerto Rico, or the United States Virgin Islands.
- A group wanting to reapply for Anthem may be ineligible if they have not complied with prior requirements and/or have an outstanding premium balance.

Note: See "California underwriting business requirements," for sole proprietors, partners, or corporate officers not appearing on the *Quarterly State Tax Withholding Report* (DE 9C).

California underwriting business requirements

Sole proprietors

A sole proprietor employer must employ at least one common-law employee as anyone who performs services for an employer that has the right to control and direct what will be done and how it will be done as defined by federal law and/or IRS guidelines.

Required documents:

- *Quarterly State Tax Withholding Report* or payroll report

Business and ownership documents — provide one of the following:

- Schedule C
- Current California business license
- Fictitious business name filing

If the owner is not on the quarterly wage report, please submit a completed Anthem Eligibility Statement.

Single owners and spouses or domestic partners of single owners don't constitute the qualifying W-2 employee.

Corporations — C-Corp, S-Corp

Corporations must provide the following:

- *Quarterly State Tax Withholding Report* or payroll report

If officer(s) is not on the quarterly wage report, please also submit the following:

- Anthem Eligibility Statement

One of the legal documents below:

- Statement of Information (Articles of Incorporation with stamped meeting minutes listing the names of the officers may be considered.)
- For C-Corps, Form 1120 with Schedule 1125-E
- For S-Corps, Form 2553 signed by all officers

Corporations established out of state will also need to provide a *Certificate of Qualification* or *Statement by Foreign Corporation* in addition to the above documentation. If the percentage of ownership is zero, the enrolling corporate officer must appear on the *Quarterly State Tax Withholding Report*. Two-percent S-Corp shareholders, owners, and spouses or domestic partners of officers or partners do not constitute common-law employees.

Nonprofit organizations and corporations

IRS Publication 557 has several types of 501(c) organizations, such as:

- 501(c)(3) — Religious, educational, charitable, scientific, literary, testing for public safety.
- 501(c)(1) — Corporations organized under Act of Congress (including federal credit unions).

Nonprofit companies must provide the following:

- *Quarterly State Tax Withholding Report*, if available, or other objective indicia of employment
- Anthem Eligibility Statement
- California secretary of state active web confirmation
- IRS letter 501(c)(3)
- IRS application for exempt status

Members of the clergy who do not appear on the *Quarterly State Tax Withholding Report* should submit a Schedule SE or Form 4361 with IRS approval.

Partnerships — general and limited liability partnerships (LLPs)

A partnership employer must employ at least one common-law employee as anyone who performs services for an employer that has the right to control and direct what will be done and how it will be done as defined by federal law.

Partnerships must provide all of the following:

- Current Schedule K–1 (Form 1065) (If this is not available due to the length of time in business or because there is an extension to file, a *Partnership Agreement* and federal tax ID appointment letter may be substituted.)
- Anthem Eligibility Statement
- *Quarterly State Tax Withholding Report*, if available, or other objective indicia of employment

Limited liability partnerships registered out of state will also require a Registered Limited Liability Partnership Certificate of Registration filed and stamped with the California secretary of state.

Single owners and spouses or domestic partners of officers or partners do not constitute the qualifying W-2 employee.

California underwriting business requirements

Partnerships — limited partnerships (LPs)

Limited partnerships must provide all of the following:

- Current Schedule K–1 (Form 1065) (If this is not available due to the length of time in business or because there is an extension to file, a *Partnership Agreement* and federal tax ID appointment letter may be substituted.)
- Anthem Eligibility Statement
- *Quarterly State Tax Withholding Report*, if available, or other objective indicia of employment

If limited or general partners are not listed showing wages on the *Quarterly State Tax Withholding Report*, the group will also need to provide a current Schedule K–1 (Form 1065) (If this is not available due to the length of time in business or because there is an extension to file, a *Partnership Agreement* and federal tax ID appointment letter may be substituted.)

Limited partnerships established out of state will also require a *Foreign Limited Partnership Application for Registration* (Form LP-5) filed and stamped by the California secretary of state.

Single owners and spouses or domestic partners of officers or partners don't constitute the qualifying W-2 employee.

Limited liability companies (LLCs)

Limited liability companies must provide the following:

- *Quarterly State Tax Withholding Report*, if available, or other objective indicia of employment
- Anthem Eligibility Statement for all enrolling officers

If managing members are not listed showing wages on the *Quarterly State Tax Withholding Report*, the group will also need to provide a current Schedule K-1 (Form 1065).

Group will need to provide one of the following documents:

- Statement of Information or Articles of Organization with Operating Agreement

Limited liability companies established out of state will also need to provide a *Limited Liability Company Application of Registration* filed and stamped by the California secretary of state.

A single member LLC or disregarded entity will be considered to have one owner.

Single owners and spouses or domestic partners of officers or partners don't constitute the qualifying W-2 employee.

Startup companies

A startup group can be considered for Small Group coverage. Anthem considers a startup group as an employer that has been in business and has employed at least one eligible common-law employee for less than a calendar quarter.

- Standard group eligibility requirements apply — refer to group eligibility section.
- Complete and submit *Conditions of Enrollment/Start-Up Companies/PEO Spin-Off Groups* form. Please include all available payroll records.
- Group must provide the first 30 days of payroll within 45 days of the effective date.

Single owners and spouses or domestic partners of officers or partners do not constitute the qualifying W-2 employee.

Professional employer organization (PEO) spinoff groups

Employees associated with a PEO are employed by the business listing the employees on its DE 9C. A business leasing employees from a PEO cannot cover employees under Anthem group coverage.

- Standard Group eligibility requirements apply — refer to group eligibility section.
- Group must provide a copy of the PEO client invoice billed to the worksite business, which includes the names of each employee previously leased to the worksite employer.
- Group must sign a *Conditions of Enrollment/Start-Up Companies/PEO Spin-Off Groups* form.
- Employees will retain their original hire dates.
- A PEO Agreement must be terminated at the time of approval.

Union versus nonunion

- Standard group eligibility requirements apply — refer to group eligibility section.
- A copy of the union roster will be required from the employer identifying union members.
- Groups that exceed 100 employees (combined number of union and nonunion employees) may be considered for Large Group eligibility.

Households

- Private households must have an employer identification number (EIN) and provide a quarterly wage report.
- Private household employers who pay annually will not be eligible.

General underwriting guidelines for Small Group business

Employee eligibility requirements

- Permanent full-time employees who conduct business of the small employer, with a normal workweek of an average of 30 hours per week over the course of a month, at the small employer's regular place of business, who have met statutorily authorized applicable orientation and/or waiting period requirements.
- Sole proprietors or partners of a partnership, if they are actively engaged on a full-time basis (average of 30 hours per week over the course of a month) in the employer's small business and included as employees under a healthcare service plan contract of a small employer.
- Permanent part-time employees who work at least 20 hours, but not more than 29 hours, are deemed to be eligible employees if all four of the following apply:
  1. The employee otherwise meets the definition of an eligible employee except for the number of hours worked.
  2. The employer offers the employees health coverage under a health benefit plan.
  3. All similarly situated individuals are offered coverage under the health benefit plan.
  4. The employee worked at least 20 hours per normal workweek for at least 50% of the weeks in the previous calendar quarter. The healthcare service plan may request the necessary information to document the hours and time period in question, including, but not limited to, payroll records and employee wage and tax filings.

Please see page 10 for additional life and disability guidelines.

- Employees must reside within the 48 contiguous states, Alaska, Puerto Rico, Washington, D.C., or the United States Virgin Islands.

Note: Owners may demonstrate that they meet the eligible employee criteria by providing W-2s or completing an Anthem Eligibility Statement form.

Dependent eligibility

An eligible employee may be required to provide proof of dependency. Dependent coverage is available to the following:

- Lawful spouse
- Registered domestic partner (Family Code Section 297)
- Disabled dependent child, who at the time of becoming age 26, is incapable of self-sustaining employment by reason of a physically or mentally disabling injury, illness, or condition, and is chiefly dependent on the subscriber for support and maintenance. A dependent may be eligible for benefits beyond their 26th birthday. The employee will be required to submit physician certification of the child's condition.
- An employee's, spouse's, or registered domestic partner's child under age 26:
  - Natural child
  - Newborn child
  - Stepchild
  - Legally adopted child
  - Ward of legal guardian
  - Child for whom the eligible employee has assumed a parent-child relationship (does not include foster children), as indicated by intentional assumption of parental status or assumption of parental duties by the eligible employee. The employee for the annuitant must certify at the time of enrollment of the child and annually thereafter.
- In the case of birth, adoption, or placement for adoption, the child will be covered for the first 31 days from the date of birth, adoption, or placement for adoption. To continue the plan beyond the 31 days, Anthem must receive an application for coverage of a dependent child within 60 days of the child's eligibility. Coverage will be effective beginning on the date of birth or adoption or placement for adoption following our receipt of the completed *Employee Enrollment Application*.
- A child will be considered adopted from the earlier of the moment of placement in a group member's home, or the date of an entry of an order granting custody of the child to the group member. The child will continue to be considered adopted unless the child is removed from the member's home prior to issuance of a legal decree of adoption.
- If both parents are covered subscribers through the same employer, their children may be covered as dependents of either, but not both, of the subscribers.
- New spouses and/or domestic partners have 60 days from the date of marriage or affidavit of domestic partnership.

Enrolling rehired employees

If an enrollee's employment ends and the employee is later rehired within 31 days of termination, coverage will resume with no lapse upon our receipt of a written request from the employer group.

If the employee is rehired more than 31 days from termination but not more than 91 days, coverage shall restart effective on the rehire date. The rehired employee will not be subject to applicable group-imposed orientation and/or waiting periods and must complete a new *Employee Enrollment Application*.

If the employee is rehired more than 91 days (13 weeks) after the termination date, the employee is considered a new employee, subject to applicable group-imposed orientation and/or waiting periods, and must complete a new *Employee Enrollment Application*.

The group is responsible for notifying us immediately if an employee is rehired and will be continuing coverage.

Residents of Hawaii (medical only)

Anthem is neither a Hawaii–authorized insurer nor a Hawaii healthcare contractor. Our benefits may not match the requirements of the Prepaid Health Care Act. We recommend that you obtain direct quotes for either an individual policy for employees who live and work in Hawaii or, if there are several employees within an employer group, to obtain group coverage from a Hawaii–authorized insurer. This would ensure that all the state requirements are met.

New group submission criteria

Anthem evaluates submissions on the following criteria:

- Headquartered in California
- Business or legal documentation
- Employee and dependent eligibility
- Employee participation
- Employer contribution
- Evidence of insurability will be required for life benefit amounts over guaranteed amount; evidence of insurability is also required for late entrants
- Long-term disability for groups of 2–5 eligible employees is medically underwritten; evidence of insurability is required

What to submit (employer level)

The following group-level documentation is required when submitting new business:

- A copy of the agent's final sold quote.
- The most current *Employer Enrollment Application/Fillable Application*, including:
  - The Cal-COBRA/COBRA/Medical Leave questionnaire.
  - The last billing statement listing COBRA/Cal-COBRA subscribers, if applicable.
  - A copy of the company's most recent *Quarterly State Tax Withholding Report* (DE 9C) with the current employment status of all employees listed (additional payroll documentation may be required).
    - First quarter due with the state by 4/1
    - Second quarter due with the state by 7/1
    - Third quarter due with the state by 10/1
    - Fourth quarter due with the state by 1/1
- If "takeover" coverage, a copy of the prior carrier's last month's group billing invoice with the status of all listed employees.
- A completed electronic funds transfer authorization form for 100% of the first month's premium (made payable to Anthem). If an electronic debit is not agreed to, a company check may be accepted, **subject to additional processing time**.
- Anthem is required by the IRS and Centers for Medicare & Medicaid Services (CMS) regulations to collect Social Security numbers.

Employee enrollment

- Each eligible employee or owner must complete an application or waiver.
- All eligible employees or dependents must have a valid Social Security number to enroll. If they do not have a valid Social Security number, they must complete a Social Security Number Exception Form.

Agents must keep a copy of the employee application or waiver.

General underwriting guidelines for Small Group business

Submission timeline

For new group submissions, make sure all required forms are completed accurately and included with your submissions.

- Anthem will accept new group submissions for the following effective dates:
  - First of the month — must be received by the fifth working day of the month.
  - 15th of the month — must be received by the 12th calendar day of the month.
- If Anthem requests additional information prior to making a new group determination, it should be **received within 10 days** of the original request.
- If the information submitted is incomplete and subsequently not received in a timely manner, the group's application may be withdrawn for the month requested.
- It is the agent's responsibility to notify Anthem prior to approval if a change in the requested effective date is to be considered. A request for change will be required in writing from the employer.

Note: Effective date changes will not be accepted after approval.

Rating policies

- The premium is determined by the employer's principal business ZIP code.*
- For Small Group medical plans, rates are based upon individual age at the time of the group's effective date.
- For Small Group medical plans, the rate for a family is based on the combined rate of the employee and all dependents 21 and older, and up to the three oldest dependents 20 or younger.
- Dental and life products require SIC code to determine rate.
- Dental and vision rates are determined by the number of eligible employees.

Rate and benefit guarantee

- Medical rates are guaranteed for a minimum of 12 months. The anniversary month will determine the timing of future adjustments.
- Medical rates will adjust for age at renewal or if the anniversary date is changed.
- Dental and vision rates and benefits are guaranteed for 24 months or if the anniversary date is changed.
- Life rates are guaranteed for 24 months.

Completing forms

Please ensure all questions are answered and signatures and dates obtained.

- Only the employer may fill in, change, or modify the employer application.
- Only the employee may fill in, change, or modify the employee application.
- The employer application must be signed by the owner listed in the owner section of the employer application or an officer listed on the Statement of Information filed with the secretary of state of California.

Whenever an individual has a language barrier and requires assistance to properly complete the application, the application must be submitted with a signed Anthem Statement of Accountability/Translator Statement from the group or the agent.

No alterations to preprinted materials will be accepted.

Open enrollment period

Once a year, employers must give employees the opportunity to change plans or add dependents not previously enrolled. Employees and/or dependents who do not enroll when first eligible must generally wait until the annual open enrollment period to enroll. However, employees may be eligible to enroll themselves and their dependents before the next open enrollment period if a qualifying event, such as losing other coverage, occurs.

Does not apply to life and disability coverage. See page 10 for more information.

* The principal business address means the principal business address registered with the state or, if a principal business address is not registered with the state, or is registered solely for purposes of service of process and is not a substantial worksite for the policyholder's business, the business address within the state where the greatest number of employees of such policyholder works. If, for a network plan, the group policyholder's principal business address is not within the service area of such plan, and the policyholder has employees who live, reside, or work within the service area, the principal business address for purposes of the network plan is the business address within the plan's service area where the greatest number of employees work as of the beginning of the plan year. If there is no such business address, the rating area for purposes of the network plan is the rating area that reflects where the greatest number of employees within the plan's service area live or reside as of the beginning of the plan year.

Medical plan participation

The group participation requirements are:*

- 70%: groups with 1–14 eligible employees
- 50%: groups with 15 or more eligible employees
- Minimum participation is 100% if noncontributory

The group must maintain the corresponding minimum participation levels in order to remain eligible. Groups are subject to cancellation or nonrenewal if participation falls below the required minimum.

Note: During the annual open enrollment period (November 15 to December 15), participation requirements will not be enforced. The effective date will be January 1 of the following year.

For the purposes of calculating participation, the following are considered valid waivers, subject to receipt of an Anthem Waiver form and proof of other coverage (ID cards), such as:

- Employer-sponsored group coverage through another employer
- Medi-Cal
- Medicare
- United States military coverage
- Individual coverage on and off the exchange

Note: An owner of multiple entities will not be considered a valid waiver if the owner is declining due to coverage under another entity in which they hold ownership.

Dual coverage by the same employer would not be considered a valid waiver.

Medical plan names

- **Anthem Platinum** — provides the highest level of benefits, and employees often pay less when they receive care. However, platinum plans have the highest monthly premiums.
- **Anthem Gold** — provides richer benefits than the Silver and Bronze plans, and employees pay less when they receive care. However, the monthly premium is higher than Silver and Bronze plans.
- **Anthem Silver** — offers affordable monthly premiums, but compared to the Bronze plans, employees pay less when they receive care.
- **Anthem Bronze** — features broad benefits and the lowest monthly premiums, but employees pay more when they receive care. Deductibles, copays, and cost shares may be higher than with the other plans.

The metal structure represents actuarial values (AVs) and can be used to compare how overall cost sharing differs across plans. Minimum and maximum AVs for each type of plan include:

- Platinum 88%/92%
- Gold 78%/82%
- Silver 68%/72%
- Bronze 58%/62%

Product types

- **Preferred provider organization (PPO)** — allows members to go directly to any in-network provider. There is no need to choose a primary care physician (PCP) or receive a referral to see other doctors.
- **Health maintenance organization (HMO)** — requires members to choose a PCP. A referral is required to see other doctors.
- **Health savings account (HSA)** — is a savings account for certain plans that members can fund with pretax dollars and use to pay for qualified healthcare expenses, including prescriptions. This is often used with a consumer-driven health plan.

* Anthem may conduct periodic audits to confirm participation levels.

General underwriting guidelines for Small Group business

Network options

PPO

- **Prudent Buyer PPO network** — offers access to nearly 75,000 California doctors and specialists, and more than 420 hospitals.
- **Select PPO network** — offers access to more than 54,000 California doctors and specialists, and more than 400 hospitals.

Note: Employers may choose only one PPO network.

HMO

- **CaliforniaCare HMO network** — offers access to more than 57,000 California doctors and specialists, and more than 420 hospitals.
- **Select HMO network** — offers access to more than 33,000 California doctors and specialists, and nearly 400 hospitals.
- **Priority Select HMO** — offers access to more than 18,000 California doctors and specialists.
- **Vivity** — is a first-of-its-kind joint venture bringing Anthem and top-ranked health systems (such as Cedars-Sinai, Huntington Hospital, MemorialCare, PIH Health, Providence, Torrance Memorial, and UCLA Health) together. Vivity's goal is to deliver world-class care, a member-first experience, and collaboration.

Note: Employers may choose only one HMO network. Employers must select a network for each plan type. For example, the employer may offer employees plans available in the Select HMO network alongside the Prudent Buyer PPO network. Not all network options are available in every area.

Enrollment in HMO networks is dependent upon the employee residing or working within a plan's geographic service area and the network provider, as well as physician availability within the geographical service area. If at the time of enrollment, the network or physician or medical group is not available or an employee does not reside or work in the geographical service area of the plan, the employee may be assigned to or be required to choose a different provider, network, and/or plan.

Dental coverage

Dental Net DHMO

Available for 2–100 employees; a minimum of two employees must enroll:

- **Participation**: 2–100 eligible employees — 25% of eligible employees (a minimum of two employees must enroll).
- Dual-option offerings are available to small groups with at least five net eligible employees, but the plans must have at least a 10% differential in premium rates. The 10% differential is calculated based on a comparison of the single rate for each quoted plan.
- Dual option is not allowed between two dental health maintenance organization (DHMO) plans. Dual option must be between an Anthem PPO and Anthem DHMO plan.
- Dual-option participation guidelines require a minimum of at least two enrolled in each option. The group must also meet the minimum participation percentage stated in the **Participation** sections above.
- Orthodontic coverage for adults and children is included in all Dental Net DHMO plans.
- Waiting periods are not required for Dental Net DHMO plans (including plans with optional dental implant coverage).

Note: Dental Net DHMO office numbers are required.

Dental PPO

- **Participation**: 2–100 eligible employees — 25% of eligible employees (a minimum of two employees must enroll).
- A minimum of two employees must enroll in each non-orthodontia plan, and a minimum of five employees must enroll in each orthodontia plan. The two plans offered must have at least a 10% differential of the employee-only tier.
- Dual option with a DHMO must be with an Anthem DHMO (a dental Enrollment Verification Form must be provided with backup).
- For PPO plans with orthodontia, a minimum of five employees must enroll.

Voluntary dental plans

Available for groups of 5–100 eligible employees:

- A minimum of two employees must enroll in the stand-alone dental products. There is no further participation requirement.

- Dual option is allowed with five or more employees enrolling in each option. The plans must have at least a 10% differential in premium rates based on single rate. Dual option is not allowed between two DHMO plans. Dual option must be between an Anthem PPO and an Anthem DHMO plan, or between two Anthem PPO plans.

Eligibility guidelines

- The employer's principal business address must be in California.
- Seasonal and temporary employees are not eligible.
- Dental offices and clinics are not eligible.
- Changes to the definition of an employee are subject to Underwriting approval.
- Orthodontic coverage requires that five subscribers enroll.

Pediatric dental

All of our Small Group health plans include pediatric dental essential health benefits, which provide important coverage for children up to age 19. Benefits include preventive care; fillings; and more extensive services, such as medically necessary orthodontia.

Vision coverage

Anthem now offers Blue View Vision.

Employer sponsored

- Available for 2–100 employees.
- A minimum of two employees must enroll.
- Dual option is available (an employer can select two plans to offer employees). An employer may choose a maximum of two plans, but may not pair a voluntary plan with an employer-sponsored plan. Dual option requires at least 10 eligible employees. Two or more employees must enroll in each option.

Voluntary vision

- A minimum of two subscribers must enroll and choose a maximum of two plans.
- Dual option is available. An employer may choose a maximum of two plans but may not pair a voluntary plan with an employer-sponsored plan.
- Voluntary vision is available as a stand-alone product or in conjunction with medical, dental, and/or life.

Pediatric vision

All of our Small Group health plans include pediatric vision essential health benefits, which provide coverage for vision exams and glasses or contacts for children up to age 19. Members can see a provider in the Blue View Vision network, which includes retailers such as 1-800 CONTACTS®, LensCrafters®, and Target Optical®.

Adult exam only

All Small Group health plans include an adult exam-only benefit.

Life coverage

Life and disability underwriting guidelines differ from medical underwriting guidelines. This is not a complete list of all life and disability underwriting requirements. Each group is evaluated during the underwriting process. Basic underwriting guidelines are subject to change at a life underwriter's discretion.

Underwriting guidelines apply to all life and disability products. Additional guidelines for each product are shown here.

Life product underwriting guidelines

- The employer must have at least two eligible employees for basic life, short-term, and long-term disability. Groups must have the greater of 20% participation or five eligible employees enroll for optional supplemental life or optional voluntary life. Groups must have the greater of 20% participation of 10 eligible employees enroll for voluntary short-term disability or voluntary long-term disability.
- 24-month rate guarantee.
- Valid and appropriate SIC code must be used for quoting. Rates are subject to change if appropriate SIC code is not used.

Invalid SIC codes include:

SIC code	Industry
971	Hunting, trapping, game propagation
2892	Explosives
4311	U.S. Postal Service
4612–4619	Pipelines, except natural gas
7941	Sport clubs, managers, and promoters
8811	Private households

General underwriting guidelines for Small Group business

- An employer must be in good financial status. Groups in bankruptcy are not eligible. Certain SIC codes are not eligible for coverage.
- An employer must have been in business at least one year for short-term disability, long-term disability, voluntary short-term disability, and voluntary long-term disability.
- Employees must be actively at work. Employees must be U.S. citizens working in the U.S. or approved foreign nationals with U.S. work visas working in the U.S.
- Retiree coverage is not available.
- 1099 workers or contractors are not eligible for coverage.
- May be sold with other Anthem and its affiliates' products or as stand-alone.
- Employees must work at least 30 hours per week to be eligible.
- Groups must maintain the minimum participation levels to remain eligible. Groups may not be renewed if participation falls below the required minimum.

Basic life

Benefit options:

Group size 2–9	Group size 10–100
Flat-amount benefit options of $15,000, $20,000, $25,000, $30,000, $35,000, $40,000, $45,000, and $50,000	Flat benefit amount from $15,000 to $500,000 in $1,000 increments ($10,000 benefit available for groups that also offer optional life)
Salary-based benefit option of 1x annual earnings	Salary-based benefit options of 1x, 2x, 3x, 4x, or 5x annual earnings
Guaranteed issue is $50,000	Guaranteed issue amount varies by group

- Census must be submitted for quoting.

  Census must include:

  — Gender

  — Age or date of birth

  — Class designation (if benefits vary by class)

  — Salary (if benefits are salary based)

  — Name or employee ID
- Groups of 2–9, age-banded rates. Groups of 10 or more, composite rates.
- Participation requirements:

  — All eligible employees must participate when coverage is entirely employer paid. (Religious waivers allowed with written documentation.)

- 75% of eligible employees must participate when employee contribution is required.
- Participation requirements are the same for basic life sold with or without medical and for basic life sold with or without other life and disability products.
- Contribution requirements: Employer contribution (not including dependent coverage) is between 25% and 99% for contributory plans and 100% for noncontributory plans.
- Benefit may vary by class, based on an employer offering:

  — 2–9, one class.

  — 10 or more, five classes. No more than 2.5 times difference in life benefit amount between classes. It is acceptable to create a class with a $50,000 maximum benefit for those employees desiring no imputed income for tax purposes.

No open enrollment allowed. Annual enrollments are allowed for contributory coverage; late enrollees are subject to evidence of insurability.

- Increase in coverage for noncontributory basic life:

  — Increase at renewal, groups of 10 or more: If a group wants to increase coverage at renewal of more than two times their current benefit, all employees must submit evidence of insurability and be approved by Medical Evidence Underwriting. If an employee is not approved, the increase in the group's benefit amount will not be effective for the entire group.

  — Increase at renewal, groups of 2–9: If a group wants to increase coverage at renewal of more than two times their current benefit, all employees must submit evidence of insurability and be approved by Medical Evidence Underwriting. If an employee is not approved, the increase in the group's benefit will be capped at two times their current benefit.
- Increase in coverage for contributory basic life, all size groups:

  — Increase at renewal or midyear/not at renewal: If a group wants to increase coverage, all employees must submit evidence of insurability and be approved by Medical Evidence Underwriting. If an employee is not approved, the increase in the group's benefit amount will not be effective for the entire group.

Basic dependent life

Benefit options:

Group size 2–9	Group size 10–100
$10,000 spouse/$5,000 each child	$20,000 spouse/$10,000 each child
$5,000 spouse/$2,500 each child	$15,000 spouse/$7,500 each child
	$10,000 spouse/$5,000 each child
	$5,000 spouse/$2,500 each child
	$2,000 spouse/$1,000 each child

- Dependent coverage cannot exceed 50% of the employee amount.
- Child coverage begins on 15th day following birth and ends at age 26.

Supplemental life/voluntary life

Benefit options:

Group size 10–100
Flat amounts from $10,000 to $500,000 in $5,000 increments
1x, 2x, 3x, 4x, or 5x annual earnings

- Census must be submitted for quoting. Census must include:
  - Gender
  - Age or date of birth
  - Class designation (if benefits vary by class)
  - Salary (if benefits are salary based)
  - Elected coverage amounts
  - Name or employee ID
- Age-banded rates.
- Supplemental life must be sold with basic life. Voluntary life is sold as stand-alone.
- **Participation requirement**: The greater of 20% of eligible employees or five employees must enroll. For example: A group with 10 employees will need to have five employees enroll to satisfy the "greater of" requirement.
- **Contribution requirement**: 100% employee paid.
- Supplemental life only — employees must be enrolled in basic life coverage.
- Initial open enrollment is included for 30 days from group effective date. For groups with a voluntary life benefit of more than $100,000, the initial open enrollment guaranteed issue limit is $100,000.
- **Takeover coverage**: Standard, one-time open enrollment is included for 30 days from group effective date for takeover coverage on groups with 10 or more eligible lives.
  - For groups with voluntary life employee guaranteed issue limit of more than $100,000, the initial open enrollment employee guaranteed issue limit is $100,000. For example, if the group's employee guaranteed issue limit is $200,000, the initial open enrollment employee guaranteed issue limit is $100,000.
  - For groups with voluntary life employee guaranteed issue limit of less than $100,000, the initial open enrollment employee guaranteed issue limit is the group's employee guaranteed issue limit. For example, if the group's employee guaranteed issue limit is $50,000, the initial open enrollment employee guaranteed issue limit is $50,000.
  - For groups with voluntary life spouse guaranteed issue limit of more than $10,000, the initial open enrollment spouse guaranteed issue limit is $10,000. For example, if the group's spouse guaranteed issue limit is $20,000, the initial open enrollment spouse guaranteed issue limit is $10,000.
  - For groups with voluntary life spouse guaranteed issue limit of less than $10,000, the initial open enrollment spouse guaranteed issue limit is the group's spouse guaranteed issue limit. For example, if the group's spouse guaranteed issue limit is $5,000, the initial open enrollment spouse guaranteed issue limit is $5,000.
  - Future enrollments require evidence of insurability for late enrollees and increases in coverage, regardless of the amount.
  - Requests for takeover or grandfathering of voluntary life amounts must be reviewed and approved by Life Underwriting.
  - New coverage: Initial open enrollment is included for 30 days prior to group effective date for groups that have never offered supplemental or voluntary life. Employees and dependents may enroll up to the guaranteed issue limits without evidence of insurability.
  - No annual open enrollment. Evidence of insurability is required for late enrollees and increases in coverage, regardless of amount.
  - Evidence of insurability is required for all coverage, amounts above guaranteed issue limits.

General underwriting guidelines for Small Group business

Supplemental/voluntary dependent life

Benefit options:

Spouse – flat benefit available from $10,000 to $50,000 in $5,000 increments
Child – $5,000, $10,000, $15,000; cannot exceed 50% of spouse amount

- Dependent coverage cannot exceed 50% of the employee amount.
- Child coverage begins on 15th day following birth and ends at age 26.
- Family unit rate structure.

Disability coverage

Short-term disability and long-term disability

Benefit options:

Group size 2–9	Group size 10–100
Short-term disability – Flat amount of $250 per week – 60% of weekly earnings	Short-term disability – Flat amount of $100, $150, $200, or $250
– 67% of weekly earnings (must be noncontributory)	– 40% of weekly earnings – 50% of weekly earnings – 55% of weekly earnings – 60% of weekly earnings – 67% of weekly earnings (must be noncontributory) – 70% of weekly earnings (must be noncontributory)
Long-term disability – 60% of monthly earnings	Long-term disability – 40% of monthly earnings – 50% of monthly earnings – 60% of monthly earnings – 67% of monthly earnings (must be noncontributory)

- Census must be submitted for quoting.
  Census must include:
  - Gender
  - Age or date of birth
  - Class designation (if benefits vary by class)
  - Salary
  - ZIP code (required for short-term disability)
  - Occupations (for long-term disability)
  - Elected coverage amount
  - Name or employee ID
- Groups of 2–9, age-banded rates. Groups of 10 or more, composite rates.
- Participation requirements:
  - All eligible employees must participate when coverage is entirely employer paid. (Religious waiver allowed with written documentation.)
  - 75% of eligible employees must participate when employee contribution is required.
- Short-term and long-term disability are available independent of each other.
- Contribution requirements: The minimum employer contribution for short-term disability insurance coverage is 25% for contributory plans and 100% for noncontributory plans.
- No open enrollment allowed. Timely enrollment is required for new employees. Employees hired after the effective date of the plan will become eligible for insurance after completing the waiting period specified in the policy.
- Short-term disability does not replace the state-mandated benefits of CA, NY, NJ, HI, PR, or RI. This plan will integrate or offset with the state-mandated coverage where employees covered by such plans exist at time of claim. If the census data provided for a quote includes a state location at the employee level, the state-mandated plan benefits will be considered in setting our pricing.
- Preexisting condition limitation applies to long-term disability.

Voluntary short-term and long-term disability

Benefit options:

Groups of 10–100
Voluntary short-term disability
– Flat amount of $100, $200, or $250 per week
– 50% of weekly earnings
– 55% of weekly earnings
– 60% of weekly earnings
Long-term disability
– 50% of monthly earnings
– 60% of monthly earnings

- Census must be submitted for quoting. Census must include:
  - Gender
  - Age or date of birth
  - Class designation (if benefits vary by class)
  - ZIP code (required for voluntary short-term disability)
  - Occupations (for long-term disability and voluntary long-term disability)
  - Elected coverage amount
  - Name or employee ID
- Age-banded rates.
- Participation requirement: Greater of 20% of eligible employees or 10 employees must enroll.
- Voluntary short-term and voluntary long-term disability are available independent of each other.
- **Contribution requirements**: No employer contribution.
- **Takeover coverage**: No standard, one-time open enrollment for takeover coverage. Evidence of insurability is required for late enrollees and increases in coverage, regardless of amount.
- **New coverage**: Initial open enrollment is included for 30 days prior to group effective date for groups that have never offered voluntary short-term and long-term disability. Employees may enroll up to the guaranteed issue limits without evidence of insurability.
- No annual open enrollment. Evidence of insurability is required for late enrollees and increases in coverage, regardless of amount.
- Evidence of insurability is required for all coverage amounts above guaranteed issue limits.
- Preexisting condition limitation applies to voluntary short-term and voluntary long-term disability.
- Quote for voluntary long-term disability assumes participation in Social Security. Groups that do not participate in Social Security or have other state or local disability plans must be quoted by Life and Disability Underwriting.

This information is intended to be a brief outline of life and disability underwriting guidelines and not intended to be a complete description of the underwriting policies. Each group is underwritten individually, and other underwriting factors apply. Anthem and its affiliates may decline to quote on a group. Groups in certain standard industrial classifications are not eligible for coverage. In the event of a conflict between a proposal and this document, the terms of the proposal will prevail.

Disability

- **Short-term disability**: Minimum employer contribution (not including dependent coverage) is 25% for contributory plans and 100% for noncontributory plans. Payroll deduction is required, if contributory.
- **Voluntary short-term disability**: 100% employee paid. Payroll deduction is required.
- **Long-term disability**: Minimum employer contribution (not including dependent coverage) is 25% for contributory plans and 100% for noncontributory plans. Payroll deduction is required, if contributory.
- **Voluntary long-term disability**: 100% employee paid. Payroll deduction is required.

Contribution

Employers may choose their preferred approach for contributing to employee medical premiums. Payroll deduction is required, if contributory. Employers have the following contribution options:

Medical

- **Traditional**: a minimum contribution of 50% of each employee's monthly health premium.
- **Fixed dollar**: a fixed-dollar amount $100 or greater (in $5 increments) for each covered employee's health premium.
- **Percentage and plan**: a minimum of 50% toward a specific plan, chosen by the employer.

Note: During the annual open enrollment period (November 15 to December 15), contribution requirements will not be enforced. The effective date will be January 1 of the following year.

General underwriting guidelines for Small Group business

Life

- **Basic life**: Minimum employer contribution (not including dependent coverage) is 25% for contributory plans and 100% for noncontributory plans. Payroll deduction is required, if contributory.
- **Optional life**: 100% employee paid. Payroll deduction is required.
- **Voluntary life**: 100% employee paid. Payroll deduction is required.

Premium-only plan (POP)

POP is an IRS-approved change in the payroll process that allows employers to use pretax salary dollars to pay employees' share of benefit premiums. All employer sizes can take advantage of this special provision of Section 125 of the IRS code.

Note: The IRS prohibits certain individuals from participating in POPs:

- Sole proprietors
- Partners within a partnership, including LLC and LLP
- Owners of an S-Corp

Establishing a POP arrangement through HealthEquity, Inc. is convenient. The cost of a POP is only $125 per year.

Groups with 10 or more eligible employees on medical and life plans will receive the first year's POP services from HealthEquity at no charge. The group must submit a separate check for the POP premium, made payable to Anthem, along with the POP application. POP applications received less than 15 days before the requested effective date will cause a delay.

For more information about POP, contact HealthEquity at 800-876-7548 (8 a.m. to 5 p.m. CT) or go to **ezpop.com**. For tax advice, consult your tax adviser.

For complete details, download the *Employer's Guide to the Premium Only Plan*, available online at Easy Renew.

Note: The POP application cannot be processed until group medical, dental, vision, and life coverage have been approved. Therefore, the POP effective date assigned by HealthEquity may be later than the effective date of the group's medical, dental, vision, and life coverage.

Orientation/waiting periods

Pursuant to SB 1034 (2014), Anthem will not impose a waiting period. Groups are responsible for providing Anthem with accurate member eligibility dates, considering a group-imposed orientation and/or waiting period. An employer may impose a bona fide employment-based orientation (affiliation) period for new employees, which cannot exceed 30 days. If the employer imposes an orientation period when completing the application, the date of hire is the first day after completion of the orientation period. A waiting period may also be imposed before coverage becomes effective, beginning the first day after an orientation period, but cannot exceed 90 days. In accordance with SB 1034, groups are responsible for ensuring that a group-imposed waiting period is consistent with Section 2708 of the Federal Public Health Service Act (42 U.S.C. § 300gg-7).

Waiting period options are:

- First of the month following date of hire.
- First of the month following one month from date of hire.
- First of the month following two months from the date of hire, not to exceed 90 days.*

The group's orientation and/or waiting period is applied to all employees in the group, with no exceptions for eligible employees. The employer has the option to waive the orientation and/or waiting period of all new hires at the initial group enrollments only.

Note: Dual waiting periods are not allowed. Does not apply to life and disability coverage.

Takeover provisions

Small Group takeover provisions comply with the following:

- A carrier providing replacement coverage of hospital, medical, or surgical expense or service benefits within 60 days from the date of discontinuance of a prior contract or policy providing benefits will immediately cover all employees and dependents who were validly covered under the previous contract or policy providing benefits at the date of discontinuance. They are within the definitions of eligibility under the succeeding carrier's contract and who would otherwise be eligible for coverage under the succeeding carrier's contract, regardless of provisions of the contract relating to active, full-time employment or hospital confinement or pregnancy.

* If it exceeds 90 days, the effective date will be the first of the month following one month from the date of hire.

- For employees or dependents who are totally disabled on the date of discontinuance of the prior carrier's contract or policy and entitled to an extension of benefits pursuant to subdivision (b) of Section 1399.62, or pursuant to subdivision (d) of Section 10128.2 of the Insurance Code, the succeeding carrier is not required to provide benefits for services or expenses directly related to any conditions that caused the total disability.

Prior deductible credit/annual out-of-pocket maximum/dental benefit waiting period credit

- For new group submissions, Anthem provides credit for deductibles met under prior takeover group medical or prior takeover group dental coverage if proof of the actual dollar amount is submitted with the first claim. This provision does not apply to new hires.
- Credit for a pharmacy deductible is not available, except when the member's prior takeover group coverage was an aggregate plan (such as an HSA).
- Credit for the annual maximum out-of-pocket is not available, except when the takeover group is moving from Anthem Large Group coverage.
- Anthem provides credit for the dental benefit waiting periods if Anthem receives proof of 12 months of prior creditable dental coverage at enrollment and there is no lapse in coverage between carriers.

Federal regulations

- The Federal Tax Equity and Fiscal Responsibility Act (TEFRA), Department for Environment, Food and Rural Affairs (DEFRA), and COBRA legislation was enacted to regulate employee healthcare coverage. Based on this legislation and the limitations of the Anthem agreement, if a business employs, on average, fewer than 20 employees in a year and any employee becomes age 65, their primary carrier must be Medicare. For employees who are 65 years old and choose to retain their Anthem Small Group coverage, Anthem will apply contract benefits as a secondary carrier for Medicare benefits paid or payable.
- When a member is covered by both Medicare and Anthem and Anthem is secondary, the total benefit provided by Medicare and Anthem should equal but not exceed the benefits of group members who do not have Medicare coverage.
- **Anthem is secondary to Medicare when one of the following criteria is met:**
  - If a member is required to pay an additional premium for part of Medicare and chooses not to enroll in that part, Anthem will pay per contract benefits as primary.
  - If a member is eligible for part of Medicare that is premium free and chooses not to enroll in that part, Medicare would be considered primary and the member's Anthem plan would be secondary. Anthem will estimate Medicare's benefit prior to Anthem coordinating coverage for deductibles and coinsurance.
- **Anthem is secondary to Medicare when the following criteria are met:**
  - The employer has fewer than 20 employees and the member is age 65.
  - Members under 65 are eligible for Medicare due to a disability. Members are enrolled following the first 30 months of kidney dialysis treatments for end-stage renal disease (ESRD).
  - The employer is responsible for administration (within the guidelines established by the federal government for compliance by employer groups).

State regulations

Cal-COBRA (SB 719) became effective January 1, 1998. This legislation provides for the continuation of coverage for employees and eligible dependents for groups that employed fewer than 20 employees at least 50% of the working days in the previous calendar year. This law also applies to an eligible employer who wasn't in business during part of the preceding calendar year if the employer employed 2–19 employees for at least 50% of the working days in the preceding calendar quarter.

- COBRA — Participation in the employee's benefit plan, as well as coverage under whatever medical programs are provided by the employer to employees and their dependents, may be continued under a federal law known as COBRA for groups that employ 20 or more employees for at least 50% of the previous calendar year.
- Employers with a single employee are not eligible for Cal-COBRA.

Under California law AB 1401, Cal-COBRA provides continuation of coverage for groups of 2–19 eligible employees for at least 50% of the working days in the preceding calendar year.

General underwriting guidelines for Small Group business

An employee and/or eligible dependents are eligible for continuation of coverage under Cal-COBRA if coverage was terminated due to one or more of the following qualifying events:

- Death of the plan subscriber, for continuation of dependent coverage
- Employee's termination of employment or reduction of hours
- Spouse's divorce or legal separation from the subscriber
- Loss of dependent's status of enrolled child
- Subscriber becoming entitled to Medicare
- Loss of eligibility status of enrolled family member

Anthem is currently administering Cal-COBRA. However, brokers and agents are responsible for submitting Cal-COBRA questionnaires, applications, and remittance checks with new business.

Note: Cal-COBRA rates are 110% of the group rate.

Effective January 1, 2008, AB 910 amended the existing law to extend the continuation of coverage rights for overage dependents who are:

1. Incapable of self-sustaining employment by reason of physically or mentally disabling injury, illness, or condition.
2. Chiefly dependent on the subscriber for support and maintenance. The law sets out new notification timelines, and requires subsequent healthcare service plans and health insurers to honor continued coverage unless there is a demonstration that the child no longer meets eligibility requirements.



General underwriting guidelines for existing business

Benefit modifications

During your client's time with Anthem, they may find that they need to make changes to their group coverage or their demographic information. The following guidelines apply:

Group level

Anthem can process your group's benefit modification 30 days prior to the group's anniversary date.

- Adding or changing a medical plan will only be allowed at the group's anniversary.
- Groups must be paid up to the requested effective date.
- Adding or changing your dental and vision plans will be allowed at any time, but only once every 12 months, subject to Anthem guidelines.
- Increases in life benefits may be subject to Life Underwriting approval.
- Employers can make contribution changes once in a 12-month period, subject to Anthem guidelines.
- Anthem must be notified of changes in company name, ownership, or tax ID number. Changes are subject to Anthem review and approval.
- Waiting periods can be changed once every 12 months but cannot be retroactive.

Note: Refer to the **Benefit modification job aid** on pages 20–23 to determine when each type of benefit modification may be requested and which documents must accompany your request.

Member level

- Covered members may move to a different product offered by their group at the group's anniversary month.
- A member can request a change in medical benefits by completing the Employee Change Request Form during the group's anniversary month.
- Plan changes may also occur with a qualifying event or special open enrollment.

Note: Electronic enrollment is Small Group's new standard for completing plan changes. They can also be submitted by:

- Completing the ***Plan Change Form*** on the group's anniversary date.
- Sending a written request signed by the owner.
- Sending an email from the owner, officer, or designated representative to small.group@anthem.com.

Benefit modification job aid

Benefit modification	When eligible	Documents necessary
Add or change a medical plan	At a group's anniversary only	1. Letter or email from the group signed by owner/officer or renewal documents, if available 2. Employee applications for any new enrollments who are not currently enrolled, or renewal documents, if available
Add Dental Net (DHMO) for 2–100 **2–100 eligible employees**: 25% eligible employees (and a minimum of two employees) who are not covered under another dental plan are required to enroll. **Dual option**:* Must have at least five net eligible employees. Plans must have at least a 10% differential in premium rates. The 10% differential is calculated based on a comparison of the single rate for each quoted plan. * Dual option must be between Anthem PPO and Anthem DHMO plans. Dual option is not allowed between two DHMO plans. Participation requires a minimum of at least two enrolling in each option.	First of the month following receipt of all documentation	1. *Benefit Modification* form 2. Employee applications for any new enrollments who are not currently enrolled, or renewal documents, if available 3. Dental Net (DHMO) office numbers 4. Waivers for declining employees
Add voluntary Dental Net DHMO 5–100* A minimum of two employees must enroll. There is no further participation requirement. * Dual option is allowed with five or more employees enrolling in each option. The two plans must have at least a 10% differential in premium rates based on the single rate. Dual option is not allowed between two DHMO plans.	First of the month following receipt of all documentation	1. *Benefit Modification* form 2. Employee applications for new enrollments who are not currently enrolled, or renewal documents, if available 3. Dental Net (DHMO) provider office numbers 4. Copy of agent quote: brokerportal.anthem.com/apps/ptb/login 5. SIC code required 6. Rates based on eligible employee count
Add Dental PPO for 2–100 **2–100 eligible employees**: Minimum of 25% participation and at least two employees must enroll. **Dual option**: Dual-option PPO plans (employer can select two plans to offer to employees) are available for employer-sponsored plans. A dual option is available if the group has at least five net eligible employees, a minimum of two employees must enroll in each option, and the two plans offered must have at least a 10% premium differential of the employee-only tier premium.	First of the month following receipt of all documentation	1. *Benefit Modification* form 2. Employee applications for any new enrollments who are not currently enrolled, or renewal documents, if available 3. Copy of agent quote: brokerportal.anthem.com/apps/ptb/login 4. Rates based on eligible employee count 5. Waivers for declining employees
Add voluntary Dental PPO 5–100* A minimum of two employees must enroll in the stand-alone dental products. There is no further participation requirement. * Dual option is allowed with five or more employees enrolling in each option. The plans must have at least a 10% differential in premium rates based on single rate.	First of the month following receipt of all documentation	1. *Benefit Modification* form 2. Employee applications for any new enrollments who are not currently enrolled, or renewal documents, if available 3. Copy of agent quote: brokerportal.anthem.com/apps/ptb/login 4. SIC code required 5. Rates based on eligible employee count
Add employer vision 2–100 A minimum of two employees must enroll. Participation requirements apply. A maximum of two plans may be chosen and cannot be paired with a voluntary vision plan. **Note**: Canceled Blue View Vision coverage can only be added back at anniversary date.	First of the month following receipt of all documentation	1. *Specialty Benefit Modification* form 2. Employee applications for any new enrollments who are not currently enrolled, or renewal documents, if available 3. Waivers for declining employees 4. Copy of agent quote: brokerportal.anthem.com/apps/ptb/login 5. Rates based on eligible employee count
Add voluntary vision 5–100 A minimum of two employees must enroll. Participation requirements apply. A maximum of two plans can be chosen and cannot be paired with an employer-sponsored plan. **Note**: Canceled Blue View Vision coverage can only be added back at anniversary date.	First of the month following receipt of all documentation	1. *Specialty Benefit Modification* form 2. Employee applications for new enrollments who are not currently enrolled, or renewal documents, if available 3. Rates based on eligible employee count

General underwriting guidelines for existing business

Benefit modification	When eligible	Documents necessary
Add employee basic life insurance The following amounts are guaranteed issue: $50,000 for 2–9 enrolled. Varies by group – see proposal for 10–100 enrolled. Coverage amounts over guaranteed issue are subject to Life Underwriting approval. For full explanation of eligibility, please see pages 11–15 of this guide.	First of the month following receipt of all documentation	1. *Specialty Benefit Modification* form 2. *Employee Applications* for any new enrollments who are not currently enrolled, or renewal documents, if available 3. *Evidence of Insurability* form for any amount over guaranteed issue 4. Waivers for declining employees 5. Copy of agent quote: brokerportal.anthem.com/apps/ptb/login
Add dependent life coverage **Groups of 2–9:** $10,000 spouse/$5,000 child age 15 days to 26 years $5,000 spouse/$2,500 child age 15 days to 26 years **Groups of 10–100:** $20,000 spouse/$10,000 child age 15 days to 26 years $15,000 spouse/$7,500 each child $10,000 spouse/$5,000 child age 15 days to 26 years $5,000 spouse/$2,500 child age 15 days to 26 years $2,000 spouse/$1,000 child **Note:** Dependent child coverage is applicable for ages 15 days to 26 years. For full explanation of eligibility, please see pages 11–15 of this guide.	First of the month following receipt of all documentation	1. *Benefit Modification* form 2. Employee applications for any new enrollments who are not currently enrolled, or renewal documents, if available 3. Waivers for declining employees 4. Copy of agent quote: brokerportal.anthem.com/apps/ptb/login **Note:** Employee must purchase basic life or accidental death and dismemberment to be eligible for dependent life.
Add optional life coverage Available only to groups with 10 or more employees. Participation requirements will apply: The greater of 20% of eligible employees or five employees must enroll. **Add optional dependent life coverage** Available when selecting optional life. Add long-term disability and short-term disability products 10–100. 75% of eligible employees (100% required if noncontributory). **Voluntary life** Available only to groups with 10 or more employees. Participation requirements will apply: greater of 20% of eligible employees or five employees must enroll. **Voluntary short-term disability** Available only to groups with 10 or more employees. Participation requirements will apply: greater of 20% of eligible employees or 10 employees must enroll. **Voluntary long-term disability** Available only to groups with 10 or more employees. Participation requirements will apply: greater of 20% of eligible employees or 10 employees must enroll. For full explanation of eligibility, please see pages 11–15 of this guide.	First of the month following receipt of all documentation	1. *Specialty Benefit Modification* form 2. Employee applications for any new enrollments who are not currently enrolled 3. *Evidence of Insurability* form 4. Copy of agent quote: brokerportal.anthem.com/apps/ptb/login
Add part-time employee eligibility (medical, dental, and vision) Does not apply to life and disability coverage.	First of the month following receipt of all documentation	1. Letter or email from the group signed by owner or officer 2. *Employee Enrollment Applications* requesting or declining coverage for all eligible part-time employees 3. Current *Quarterly State Tax Withholding Report* reconciled 4. *Attestation* form **Note:** Additional documentation and review may be required.

Change contribution option	Once in a 12-month period; effective first of the month following receipt of documentation	1. Letter or email from group's owner or officer requesting the change
Group demographic changes Name change with same owner and no new enrollments. Name change without EIN change, same owner, and no new enrollments.	First of the month following receipt of all documentation	1. Letter or email from group signed by owner or officer requesting the name change 2. Fictitious business name filing (sole proprietorship or partnership), or amended Articles of Incorporation (corporations), or amended Articles of Organization (limited liability corp.) **Note:** Additional documentation and review may be required.
Group demographic changes Name change with same owner and no new enrollments. Name change with EIN change, same owner, and no new enrollments.	First of the month following receipt of all documentation	1. Letter or email from group signed by owner or officer requesting the name change 2. Fictitious business name filing(sole proprietorship or partnership), or amended Articles of Incorporation (corporations), or amended Articles of Organization (limited liability corp.) 3. New employer application **Note:** Additional documentation and review may be required.
Name change with new ownership and enrollment changes. Name change and EIN change with new ownership and enrollment changes.	First of the month following receipt of all documentation	1. Letter or email from group signed by owner or officer requesting the name change 2. New employer application 3. Employee applications for new owners along with the Anthem Eligibility Statement completed in full 4. Purchase Agreement, federal tax ID letter, fFictitious business name filing (sole proprietorship or partnership), or amended Articles of Incorporation (corporations), or amended Articles of Organization (limited liability corp.) **Note:** Additional documentation and review may be required.
Ownership change The name and tax ID remain the same.	First of the month following receipt of all documentation	1. Letter or email from group signed by owner or officer requesting the ownership change 2. New employer application 3. Purchase Agreement or amended Articles of Incorporation/Organization 4. Employee application for new owner with Anthem Eligibility Statement (if owner is eligible)
Splits If the company maintains or inherits the same employees (covered prior to the split).	First of the month following receipt of all documentation	1. Letter or email from group signed by owner or officer requesting the name change 2. New employer application 3. Employee applications for enrolling in the new entity 4. Federal tax ID letter, fictitious business name filing (sole proprietorship or partnership), or Articles of Incorporation (corporations), or Articles of Organization (limited liability corp.) 5. The most recent *Quarterly Wage and Withholding Report* for the original company, indicating the status of each employee and who is going where 6. Anthem Eligibility Statement for owners not listed on *Quarterly Wage and Withholding Report* 7. Copy of agent quote: brokerportal.anthem.com/apps/ptb/login 8. Initial payment **Note:** Additional documentation and review may be required.

General underwriting guidelines for existing business

Benefit modification	When eligible	Documents necessary
Mergers If a company insured with Anthem is merging with another company also insured by Anthem.	First of the month following receipt of all documentation	1. Letter or email from owner or officer of surviving group explaining and requesting the change 2. New employer application 3. Legal documentation of the merger 4. The most recent *Quarterly Wage and Withholding Report* from each company, with the status of each employee 5. Employee applications for all new employees enrolling or declining coverage 6. Anthem Eligibility Statement for owners not listed on *Quarterly Wage and Withholding Report* along with documentation of ownership **Note:** Additional documentation and review may be required.
Acquisition If a company insured with Anthem is merging with another company also insured by Anthem.	First of the month following receipt of all documentation	1. Letter or email from group signed by owner or officer explaining and requesting the change 2. Legal documentation of the acquisition 3. The most recent *Quarterly Wage and Withholding Report*, with the status of each employee 4. New employer application 5. Employee applications for all new employees enrolling or waiving coverage **Note:** Additional documentation and review may be required.
Acquisition If a company insured with Anthem is acquiring another company **not** insured with Anthem.	First of the month following receipt of all documentation	1. Letter or email from group signed by owner or officer explaining and requesting the change 2. Legal documentation of the acquisition 3. The most recent *Quarterly Wage and Withholding Report*, with the status of each employee 4. New employer application 5. Employee applications for all new employees enrolling or waiving coverage 6. Prior carrier bill from acquired company **Note:** Additional documentation and review may be required.

What to expect upon approval

In the coming days, Anthem will complete enrollments and begin issuing the group's documents. You will be able to review the group's information on the Producer Toolbox. Employees may begin using their benefits on their effective date, and the employer may access their group Information on EmployerAccess.

For the employer:

- The group contact will receive their EmployerAccess login credentials.
- An email will be sent notifying the employer that the *Evidence of Coverage (EOC)* is available for download.
- A new enrollment package will be sent with required notices, the group contract, and specialty *EOCs*, if applicable.
- A personalized URL will be available with helpful group information.

For employees:

- ID cards for enrolled members and a welcome packet with instructions on how to sign up at anthem.com/ca.

The employer is responsible for distributing the *Summary of Benefits and Coverage (SBC)*, *Evidence of Coverage*, and required notices. Employers may download the *SBC* at sbc.anthem.com.

If you need assistance with your client's enrollment documents, please contact your Anthem representative or Anthem Enrollment and Billing at **855-854-1429** or small.group@anthem.com.





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