



DeanHealthPlan

A member of SSM Health

Underwriting Guide

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Group Business

Small Employer Group

A Small Employer Group is an employer that has had a total number of employees (part-time, seasonal, temporary, etc.) between 2 and 50 on a monthly average over the last calendar year.

Large Employer Group

A Large Employer Group is an employer that has had a total number of employees (part-time, seasonal, temporary, etc.) on a monthly average of 51 or more over the last calendar year.

Eligibility

An eligible employee is person who is either (1) employed by the Group Policyholder and is considered Active at Work/Active Status; or (2) identified by the Group Policyholder as an employee that must be covered pursuant to the Patient Protection and Affordable Care Act. The employee must complete any waiting period required by the Group Policyholder before coverage is effective.

Dependent Eligibility

DHP considers a qualified dependent to be:

- The legally married spouse of the Subscriber;
- A recognized domestic partner if domestic partner eligibility is chosen by the group. (see Non-standard provisions)
- The Subscriber's married or unmarried biological child, stepchild, adopted child, legal ward and any child placed for adoption (by court order, a licensed county agency, a Wisconsin child welfare agency, or a child welfare agency licensed by another State) until the child turns 26 years of age as determined by the employer. All placements and adoptions must follow Wisconsin's placement and adoptions laws.
- The Subscriber's biological child, stepchild, or adopted child who was called to active duty prior to reaching the age of 27 and is a Full-Time Student. The child has up to 12 months after completing active duty to apply for Full-Time Student status at an institution of higher education. If the child has been called to active duty more than once in four years since the first call to active duty, eligibility will be determined based on the child's age at the time of the first call to active duty;
- A biological child of a Subscriber's dependent until the Subscriber's dependent reaches the age of 18;
- The Subscriber's biological child, stepchild, child of a Domestic Partner, adopted child, legal ward and any child placed for adoption who is required to be covered under the Subscriber's Plan in accordance with a Qualified Medical Child Support Order (QMCSO) or National Medical Support Notice (NMSN).

Participation

When determining participation, “eligible employees” do not include those with other creditable health coverage (except those employees with other creditable coverage offered through this employer group); those with group continuation coverage (or any other non-working class of employees); or those serving their waiting period. DHP’s minimum participation requirements are as follows:

Number of Eligible Employees	Participation Requirement
2 through 4	2 Participants
5 or 6	3 Participants
7	4 Participants
8 or 9	5 Participants
10	6 Participants
11 through 25	50% of eligible employees
26 or more	50% (20% if Large Employer that is dual choice with another carrier) of eligible employees

Dean may decline to issue coverage to a Small Employer (except during the annual one-month guaranteed enrollment period between 11/15 and 12/15) or may terminate existing Large or Small Employer coverage if minimum participation requirements are not met.

Contribution

DHP’s minimum employer contribution requirement is 25% of the single coverage cost and is applicable across all coverage tiers.

Late Enrollees

Late Enrollees are individuals who 1) did not enroll when initially eligible for coverage; and 2) are not eligible for a special enrollment period. Employer Groups may elect one of the following provisions as their late enrollee provision:

- Late Enrollees will be subject to a 90 day waiting period following the receipt date of the application before coverage begins
- Late Enrollees may enroll during the Employer Group’s annual Open Enrollment period

Waiting Periods

Insurance waiting periods for newly hired employees may not exceed 90 calendar days. Employers may also apply an additional Orientation Period for new employees that may not exceed 30 days.

Dual Choice

Employer groups that have more than one covered plan option or more than one insurance carrier covering the health insurance benefits for their employees will have an annual dual choice enrollment period for their currently covered employees and dependents. The dual choice enrollment period shall be the period of time established by the Employer and agreed upon by DHP and it shall be consistent with the Dual Choice period applicable to all other group health benefit plans offered by the Employer. The dual choice enrollment period is typically the month of the group’s renewal unless otherwise requested and agreed upon by DHP.

The Employer shall permit employees to change carriers or plan options, whichever applicable, during this dual choice enrollment period. This is in addition to any applicable special enrollment event which also allows employees to change carriers or plan options. Employees that enroll from the employer’s other dual choice insurance carrier plan into the DHP plan during the dual choice enrollment period are considered timely add-ons to the policy.

Only Large Employer Groups are allowed to offer more than one insurance carrier option to their

employees. DHP must be the sole carrier for Small Employer groups. Both Small and Large Employer groups are allowed to offer more than one DHP plan option.

Open Enrollment

Annual Open Enrollment is available as an option for Employer Groups that decide to limit enrollment for late applicants to the annual open enrollment period.

New Business Submission Requirements

New Business Submissions:

Small Employer Group:

- DHP Employer Group Application
- Current Quarterly Unemployment Compensation Wage & Tax Form (UCT-101 and attachments) with the status of each employee indicated. An Eligibility Certification Form may be accepted for employees not on the Quarterly Unemployment Compensation Wage & Tax Form.
- Most recent Current Carrier Premium Billing statement
- Solicitation Disclosure Form (must be signed prior to or on the same day as the Employer Group Application)
- Employee Applications or Waivers for every eligible employee, including terminated employees that are within their COBRA/Continuation period with the group's current carrier
- First month's premium check or an ACH Authorization form

Large Employer Group: Final Rates

- Total Census
- Total Number of Employees of All Locations/Subsidiaries Being Insured
- Employer Contribution toward Health Insurance
- Current Carrier History
- All carrier names and coverage periods for the past three years
 - Claims experience (medical and pharmacy) for the past three years
 - Large Employer Groups without claims experience will need to submit Employee Health History Addendums for their employees applying for insurance.
 - High cost case details for the past three years
 - Current and renewal rates for the past three years
 - Current carrier's schedule of benefits
 - Tier design

Large Employer Group: Submission Finalization

- DHP Employer Group Application
- *Details* regarding special segments or retiree segments
- Employee Application for Group Coverage
- First month's premium check or an ACH Authorization form

Enrollment Form Requirements after the initial enrollment period (example: new hire application):

Small and Large Employer Group Employee application:

- Employee Application for Group Coverage

Rates

Small Employer Groups - Small Employer rates are member rated. Rates are based on the geographic location of the employer group and the age of each applicant. Rates are not determined based on gender, health status or smoker status. If employees have family members, the single rate for each family member is added to determine the overall family premium. Families with four or more children under the age of 20 will only be charged for up to three children.

Large Employer Groups – All Large Groups are composite rated. Rate methodology and product availability are based on total employer size, age, gender, employer location, employees addresses, mix of single/family, and prior claims experience if available.

Rate Tiers – DHP offers the following tier structures for Large Employer groups:

- **2-Tier:** This Tier structure will have Subscriber and Subscriber + Family coverage levels.
- **3-Tier:** This Tier structure will have Subscriber, Subscriber + One and Subscriber + Family coverage levels.
- **4-Tier:** This Tier structure will have Subscriber, Subscriber + Spouse, Subscriber + Child(ren) and Subscriber + Family coverage levels.

Industry and/or SIC Code Rating - DHP does not use industry and/or SIC code rating factors when calculating rates for group business.

Plan Options

HMO and POS Plan Options

Small Employer Groups

As of 1/1/14 Small Groups first enrolling with DHP and renewing Small Groups that choose to move to ACA plan options must select from one of the plans in the DHP Small Group “Metal Tier” options. Small Employer Groups have a wide variety of plan options to choose from with a variety of deductible options. DHP renewing Small Groups that have coverage on Pre-ACA plans may elect to keep their current Pre-ACA plan for renewal periods up to the point that the federal government determines that Pre-ACA plan options are no longer allowed. Benefit modifications to standard medical or pharmacy plans are not allowed on Pre-ACA plans.

Small Employer Groups may choose up to four (4) different standard medical/pharmacy plan options within the HMO and POS product lines.

HMO and Focus plan options will not be allowed on the same group other than to accommodate membership that reside in both Focus and non-Focus service areas within the group. Existing groups may be grandfathered with respect to this.

Large Employer Groups

Large Employer Groups have a broader choice of medical/pharmacy standard plan options to choose from. Maximum out-of-pocket limits, as defined by ACA, drive the benefit structures that DHP is able to offer Large Employer Groups.

Large Employer Groups may choose up to four (4) plan options within the HMO and POS product lines. Employer Groups requesting more than four plan options will require prior approval by DHP Underwriting.

HMO and Focus plan options will not be allowed on the same group other than to accommodate

membership that reside in both Focus and non-Focus service areas within the group. Existing groups may be grandfathered with respect to this.

When choosing plan options, Employer Groups should select plans that have a premium differential of at least 10%. Exceptions to this require DHP Underwriting approval.

Large Employer Groups with 100+ covered employees may request modifications from the standard suite of products. Modifications may be made to deductible, co-insurance, maximum out-of-pocket, office visit copayment, prescription drug plan, inpatient facility benefit and ER service copayment benefits.

Modification requests must be approved by DHP Underwriting.

PPO Plan Options

Both Small and Large Employer Groups can elect a PPO plan option to accompany either an HMO and/or POS offering. PPO is available to all employees that reside outside of the DHP service area. The PPO product may also be selected in place of an HMO or POS product for those employees that live in the fringe counties of the DHP service area (fringe counties include: Crawford, Vernon, Juneau, Adams, Marquette, Green Lake, Washington, Milwaukee, Racine, and Walworth). PPO participation may not exceed 50% of the covered employees.

Rate blending of POS and PPO products is available only on Large Employer Groups and must be approved by DHP Underwriting

HRA Plan Options

Dean Consumer Driven Plans were developed to provide options that encourage members to become more involved in health care decision-making. These plans feature deductibles, co-insurance and copayments on most services and are sold with an option to accommodate a health care reimbursement account (HRA) to offset the employee's out-of-pocket costs to some degree. Any of our DHP plans can be set up as an HRA.

Health Savings Accounts (HSA)/High Deductible Health Plan (HDHP) Options

Dean HSA compatible HDHPs were developed to provide options that encourage members to become more involved in health care decision-making with providing tax advantages for the HSA funds. These plans feature plan designs that meet the federal HSA requirements. DHP does not administer or manage any HSA account, but rather allows the group to use any bank it chooses.

Mid-year Plan Changes

Changes to the plan option are usually limited to the Employer Group's anniversary/renewal date. This accommodates ACA rules which require a member notification period of 30 days at-anniversary or 60 days off-anniversary of any plan change. Therefore, any plan change requests off-anniversary requires a minimum 90 days prior to effective date initiation/notification period with DHP.

Renewals

Renewal dates will occur 12 months from the original effective date unless otherwise approved by DHP Underwriting. Benefit accumulators will run concurrent with the contract year unless state or federal mandates otherwise dictate a calendar year benefit accumulation period, or if calendar year benefit accumulators are requested by the Employer Group and approved by DHP Underwriting.

DHP will cancel or non-renew the employer group for any of the following reasons:

- The date the Employer ceases to be eligible as a group due to: (1) the Employer no longer has an eligible individual who resides, lives or works in the service area in which DHP is authorized to do business or (2) falls below the agreed upon participation requirements as stated in the Group Master Policy, Overview of Coverage Conditions.
- The last day of the grace period if the entire monthly Premium due is not paid by the Employer to DHP.
- The last day of the calendar month during which the Employer requests termination of the Group Master Policy, provided that DHP received written notice of such request at least 10 days prior to the end of the month (the termination date will in no event be earlier than DHP's receipt of such notice).
- The date the Employer breaches any part of the Entire Policy.
- The date the Employer's business is dissolved or ceases business activity.
- The Employer has failed to comply with a material provision as contained in the Group Master Policy and that is permitted under law relating to employer contribution or group participation rules. A statement of the minimum employer contribution and the minimum number of participating Eligible Employees to keep the Group Master Policy in effect, and the method for determining the minimum contribution and participation requirements are stated on the Group Master Policy, Overview of Coverage Conditions.
- Fraud or intentional misrepresentation by the Employer. The Entire Policy can be contested for a misstatement on the Employer Group Application or any employee application knowingly forwarded to DHP by the Employer which would have affected the issuance of the Group Master Policy. In the event of such occurrence, the Group Master Policy could be rescinded (as permitted by law and regulation) and all premiums paid would be refunded, minus any claims paid. In the event that claims have been paid in excess of Premium paid, the Employer shall indemnify DHP for such excess amount.
- The date that DHP discontinues offering a particular type of group health benefits policy in the state under which the Employer group has coverage. In this case, DHP will notify the Employer group 90 days before such coverage is discontinued.
 - DHP will offer small employers (employers of 2-50 employees) the option to purchase any group health policy that DHP offers to small employer groups. DHP will offer large employers (employers of more than 50 employees) the option to purchase another group health benefit policy that DHP offers to large employer groups.
- For small employers (employers with 2-50 employees), the date DHP ceases to renew coverage for all other small employers in Wisconsin. In this case, DHP will notify the small employers and the Office of the Commissioner of Insurance 180 days before such non-renewal.

Reinstatement

All reinstatement requests are subject to review and approval by the DHP Enrollment and Billing Department.

Non-standard Provisions

DHP is able to offer several non-standard provision options to employer groups. All provisions must be approved by DHP Underwriting.

Retiree Coverage – A group may apply for retiree coverage at the time of the initial group enrollment or during their annual renewal period to become effective upon the renewal date. Any group, regardless of size, may request a retiree coverage provision for long-term employees that retire either before or after turning age 65. A written employer policy identifying minimum age, length of service and employer contribution requirements for retirees should be in place prior to DHP's review of the retiree policy request. Approved retiree policies will be outlined in "Addendum to Group Master Policy – Retiree Addendum" and will be attached to the Group Master Policy.

Domestic Partner (DP) Coverage – A group may apply for DP coverage at time of the initial group enrollment or during their plan year. Any group, regardless of size, may request domestic partner coverage. A written employer policy should be in place prior to DHP's review of the domestic partner provision request. Approved domestic partner policies will have the Domestic Partner Rider attached to the Group Master Policy. Besides the standard DHP DP Rider, which is applied at no additional cost, a Dane County version of the DP Rider is also available at an additional cost. Other deviations require prior DHP approval and may include a premium rate adjustment.

Medical Leave of Absence Coverage - A medical leave of absence provision enables groups to continue medical and drug coverage beyond the last day worked for employees that are off of work due to a medical-related leave. Any group, regardless of size, may apply for a medical leave of absence coverage provision at the time of the initial group enrollment or at any time during the plan year. A written employer policy should be in place prior to DHP's review of the medical leave of absence provision request. Small Employer Groups or Large Employer Groups with 50 or fewer employees insured by DHP may request a medical leave of absence provision to extend coverage up to a maximum of 60 days beyond the last day of work. Large Employer Groups with 51 or more employees insured by DHP may request a medical leave of absence provision to extend coverage up to a maximum of 12 months beyond the last day of work. If approved, details of the coverage extension will be outlined in the Group Master Policy document.

Lay-off Provision, Part-time to Full-time Employee Provision, Rehire Provision, Severance Provision and Military Leave Provision – DHP is willing to work with Employer Groups on a variety of other special provisions they may need. A written employer policy should be in place prior to DHP's review of the request. If approved, details of the coverage extension will be outlined in the Group Master Policy document. Large employer groups may not require a rehired full-time employee to serve the probationary period if that employee is rehired within 13 weeks from the last day worked.

Business Ownership Changes. Acquisitions. Mergers and Expansions

Employer Groups may be faced with business structure changes that could involve additional clarification and/or application materials to be required by DHP scenarios of possible business structure changes are given below but other types of business reorganizations may also require DHP approval.

Business Purchase or Ownership Change with no additional employees to be added

Requirements:

- Letter of explanation from the employer group explaining the transaction taking place.

Business Purchase or Ownership Change/New Location being added/New Class being added and employees will be added as a resultScenario #1: Population being added is less than 10% of the active population DHP insures:

Rating Impact: None unless the group size status changes from small employer to large employer

Requirements:

- Employer Group Application must be completed to reflect information specific to the new group/location/class
 - Please note, the ownership of the employer group that DHP currently insures must have at least 50% ownership in this new segment to be added in order for this segment to qualify for DHP insurance.
- Letter of explanation from the employer group explaining the transaction taking place
- Eligibility listing of the new employees to be added
- Most recent current carrier billing statement from this new group segment of employee's current insurance carrier

Scenario #2: Population being added is greater than 10% of the active population DHP insures:

Rating Impact: Possible rate adjustment for Large Employer groups or if a group size status changes from small group to large group

Requirements:

- Employer Group Application must be completed to reflect information specific to the new group/location/class
 - Please note, the employer group that DHP currently insures must have at least 50% ownership in this new segment to be added in order for this segment to qualify for DHP insurance.
- Letter of explanation from the employer group explaining the transaction taking place
- Eligibility listing of the new employees to be added
- Most recent current carrier billing statement from this new grouping of employee's current carrier
- Employee Enrollment Forms must be submitted as follows and are subject to DHP Underwriting review and approval (please note that revised rates may be necessary for large employer groups depending on the additional health risk presented with this new segment of employees):
 - Small employer group requires an employee application to be completed.
 - Large employer group that has 100 subscribers currently insured or less requires an employee application and a health history addendum to be completed
 - Large employer group that has greater than 100 subscribers currently insured requires an employee application to be completed.

Scenario #3: Partial Sale/Partnership Split of DHP Insured Employer Group:

Rating Impact: Possible rate adjustment (especially if there is a group size status change)

Requirements:

- Letter of explanation from the group(s) explaining the transaction and ongoing operation of the employer group

- Listing of employees still employed by the Employer Group to continue to be insured
- For partnership splits, if the partner that is splitting off wants to retain DHP coverage under a new business name, an Employer Group Application is required. If employees will be added as a result, health history applications may be required. Please contact the DHP Client Services Department regarding this requirement.
- Revised rates may be necessary depending on either the risk remaining with DHP or any additional health risk presented by the addition of employees to DHP coverage.

Scenario 4: Business Expansion in which no new insureds are being added

Rating Impact: None

Requirements:

- Letter of explanation from the group is required. This letter must include the address of the new location to be insured and should provide indication if there will be any coverage provisions that are different from the currently covered group and details of any future plans for additional enrollment onto the DHP coverage. The letter should also indicate whether the new location should be under the same group number or if it should be set up with a different group number from the Employer Group and if they are to be rated together or separate from the currently insured DHP population.

Scenario 5: DHP Group Merges with another DHP Group

5a: Group wants to remain separate businesses from an insurance perspective

Rating Impact: None unless the group size status changes from small employer to large employer

Requirements:

- Letter of explanation from the group is required. This letter must indicate why they wish to remain separate and is subject to DHP Underwriting approval. The Employer Group must clearly define how they are being segmented.
- The determination of small or large employer size will be determined by the combined employee populations

5b: Group wants to combine insurances

Rating Impact: Possible rate adjustment (especially if there is a group size status change)

Requirements:

- Letter of explanation from the group.
- Re-rating of Employer Group rates may be necessary at the time of the transaction. DHP Underwriting will review and determine if re-rating is necessary.

Individual Policy Business

Affordable Care Act (ACA) Plans

Plan Options

DHP offers multiple plan options, both on and off the Health Insurance Marketplace, with various deductible, co-insurance and copay amounts. Please see www.deancare.com for the product listing.

Eligibility

New applicants to DHP are able to enroll during the annual open enrollment or through a special enrollment period. To understand what qualifies for a special enrollment, please visit: www.deancare.com/shop-plans/individual-family-plans

Pricing

Rates are based on geography, tobacco use, age and plan design requested. Ages of applicants are based on their age as of the effective date.

Renewals

ACA Individual policies renew annually each January. Pre-ACA Individual policies will continue to renew each contract year up to the point that the federal government prohibits continuance of Pre-ACA plans. Renewal rates are available 60 days prior to the renewal date.

Individual policy increases will be based on the entire individual block performance and not on any individual policyholder's claims experience. Increases will be calculated by product level, coverage level and age band of the policyholder and family members covered.

Pre-Affordable Care Act (ACA) Plans:

Adding family members to an existing pre-ACA policy:

- Any request to add new dependents to a policy must submit the State of Wisconsin uniform application and is subject to DHP Underwriting review and approval. The exception to this rule is the addition of newborns or newly adopted children as outlined in the "Qualified Dependent Eligibility" section. When applying to have dependents added, the active subscriber should be identified as the "applicant" and the applicable selection made in the "Member/Dependent Information" section as to the reason for submitting the application. Only the newly applying family member must report health information in the "Health Questions" section of the application. Signature pages must still be completely filled out with both the primary subscriber and applicable dependents, over the age of 17, signing and dating the appropriate signature sections of the application.
- All offers of coverage will be for a first of the month effective date.
- Application for coverage must be received by the 25th of the month prior to coverage in order to allow enough time to process the application for a first of the month effective date. Although every attempt will be made by DHP Underwriting to finalize the processing of applications by the first of the month, in the situations where additional information may be needed, a future month effective date offer may be necessary.
- The application must be completed and signed by the applicant and any dependents over the age of 18.
- Any applications submitted with a signature date older than 60 days will be returned for completion of a new current health history application form. Incomplete applications received by DHP will also be returned for completion.

- Applicants may submit their applications within 60 days of the desired effective date. Applications that are submitted greater than 60 days prior to the desired effective date will have their application closed and will be asked to submit closer to the desired effective date.
- DHP does not allow a domestic partner to be covered as a dependent under an individual policy

Qualified Dependent Eligibility

- Spouse under the age of 65
- Children under the age of 26
 - Grandchild of the policyholder until the dependent child reaches age 18. The dependent child must remain on the policy as a covered dependent in order for the grandchild to be covered.
- In the case of adding newborns and adopted children to an active policy, the subscriber must file an application within 60 days of birth or placement in the home. If DHP does not receive an application, coverage beyond the 60 days will be refused unless, within one year after the birth of the child, the insured makes all past due payments.
- Unmarried children who are incapable of self-sustaining employment by reason of mental or physical disability may continue coverage beyond age 26 and are subject to DHP Underwriting review and approval. Initial proof of disability from the attending physician is required. An ongoing annual review of the disabling condition by DHP Underwriting will take place in order to maintain continued eligibility under the plan as a disabled dependent.
- In the case of insuring dependents of a legal guardian, copies of the legal documents supporting the guardianship must accompany the application. These will be reviewed by DHP Underwriting to determine the eligibility of the applying dependent.