

Medical Underwriting Guidelines

As of 4/1/2017

Category	Small Group	Large Group
Group Size	1-100 eligible employees, based on FTE (full-time equivalents) count.	101+ FTE.
Products Available	<u>Four Products:</u> Plan P5, Plan P20, Platinum Mirror Plan (PM), and Gold Mirror Plan (GM).	<u>Five Products:</u> Value Plan 5 (VP5), Value Plan 10 (VP10), Value Plan 20 (VP20), Plan MEP and Plan QEP.
Metal Levels	MEHP offers Platinum & Gold metal rated plans. ⁱ	Not Applicable.
Minimum Essential Coverage (MEC)	All four small group products have MEC.	All five large group products have MEC.
Minimum Value (MV)	All four small group products have MV.	All five large group products have MV.
MEHP Product Combinations	Yes, as long as P5 or P20 is one of the combination plans.	Yes, as long as VP10 or VP20 is one of the combination plans.
Split Carrier Product Combinations (MEHP alongside a CA Carrier)	May be sold alongside any CA HMO/PPO. ⁱⁱ	May be sold alongside any CA HMO/PPO.
MEHP as Sole Carrier (the only group coverage plan)	Allowed, but discouraged. ⁱⁱⁱ	Allowed, but discouraged.
Provider Network	Full service provider network in Mexico. Emergency and Urgent Care covered in U.S.	Full service provider network in Mexico. Emergency and Urgent Care covered in U.S.
Drug Formulary Options	4-tier Formulary. Drugs not on the recommended list would be subject to non-formulary tier cost sharing.	4-tier Formulary. Drugs not on the recommended list would be subject to non-formulary tier cost sharing.
HRA & Wrap	Allowed.	Allowed.
Pediatric Dental & Vision	MEHP provides these benefits; rates are imbedded in plan premium.	Not Applicable.
Taxes & Fees	All applicable ACA and State Taxes and Fees are included in the group premium.	All applicable ACA and State Taxes and Fees are included in the group premium.
Riders	Optional Dental Plan	Optional Dental Plan
Affiliated Companies/ Common Ownership (MEHP alongside a CA Carrier)	MediExcel will accept the same documentation as the other carrier to demonstrate common ownership.	MediExcel will accept the same documentation as the other carrier to demonstrate common ownership.
Affiliated Companies/ Common Ownership (MEHP as Sole Carrier)	Provide documents that show common ownership, such as tax return, corporate documents, or DE-9C.	Provide documents that show common ownership, such as tax return, corporate documents, or DE-9C.
Rate Guarantee	12 months as of effective date.	12 months as of effective date.
Rates	Age rated per small group premium table. Ages based on January 1 st of the contract effective or renewal date. ^{iv}	Composite; 3 or 4 tier composite rates available for VP Plans. Book Rates: 3 or 4 Tier Book Rates available for MEP and QEP Plans.
Employer Contribution (MEHP alongside a CA Carrier)	Dollar amount of the employer's contribution to MEHP should be no less than 80% of the dollar amount of the employer's contribution to the other CA health plan (not to exceed 100% of the MEHP premium).	Dollar amount of the employer's contribution to MEHP should be no less than 80% of the dollar amount of the employer's contribution to the other CA health plan (not to exceed 100% of the MEHP premium).

Employer Contribution (MEHP as Sole Carrier)	No minimum employer contribution is required.	<ul style="list-style-type: none"> For VP5, VP10, VP20, MEP or QEP: Minimum 50% of employee rate. Note: QEP and MEP may be offered on voluntary basis (no minimum contribution).
Participation (MEHP alongside a CA Carrier)	Minimum participation is 1 enrolled employee.	Minimum participation is 1 enrolled employee.
Participation (MEHP as Sole Carrier)	Minimum participation is 1 enrolled employee.	Minimum participation is 1 enrolled employee.
Carve-Outs	Allowed. The carve-out classes must be IRS non-discriminatory and in compliance with ACA. All others must be offered insurance. ^v	Allowed. The carve-out classes must be IRS non-discriminatory and in compliance with ACA. All others must be offered insurance.
Census or Online Enrollment	A census spreadsheet will be accepted if all enrollment information for employees and dependents is provided.	A census spreadsheet will be accepted if all enrollment information for employees and dependents is provided.
Divisional Billing	Available.	Available.
Ineligible Groups	None.	None.
Ineligible Employees	Part-time working less than 20 hours, as well as 1099 employees shall be considered on a case-by-case basis.	Part-time working less than 20 hours, as well as 1099 employees shall be considered on a case-by-case basis.
Medical Questions	Not Applicable.	Yes.
Quoted vs. Enrolled	Not Applicable.	If enrollment varies from quoted by +/-5%, then group may be re-rated.
Virgin Groups	Allowed; no additional requirements.	Allowed; no additional requirements.
COBRA/Cal-COBRA	No maximum.	No more than 10% of enrolled MEHP subscribers may be on COBRA.
Employee Only Coverage	Not allowed.	Allowed. Employers must monitor enrollment. If dependents appear on enrollment form, they will be enrolled.
Owner Only Groups	Not allowed.	Not allowed.
Out-of-State Employees	Not allowed.	Not allowed.
Newly Formed Groups (MEHP alongside a CA Carrier)	MediExcel will accept the same requirements as the CA Carrier.	MediExcel will accept the same requirements as the CA Carrier.
Newly Formed Groups (MEHP as Sole Carrier)	Must be in business 30 days.	Must be in business 30 days.
Valid Waivers	CA Carrier Coverage, Covered California, Group Spousal Coverage, Medicare, Medi-Cal, COBRA, Active Duty Military.	CA Carrier Coverage, Covered California, Group Spousal Coverage, Medicare, Medi-Cal, COBRA, Active Duty Military.
Waiting Period Options	Any ACA/State compliant period is acceptable. Coverage begins on first day of the month.	Any ACA/State compliant period is acceptable. Coverage begins on first day of the month.

Notes

ⁱ All small group products are assigned a metal level. Level is indicated in the plan name by P (Platinum) and G (Gold). MEHP only offers Platinum and Gold Metal rated products.

ⁱⁱ When MEHP is offered as Slice Business as a new coverage plan or at renewal, MEHP's product size must match the CA carrier's product size. MEHP Small Group products may only be offered alongside a CA carrier's small group age-rated coverage plans. MEHP Large Group products may only be offered alongside a CA carrier's large group coverage plans.

ⁱⁱⁱ Allowed, but strongly discouraged as not all eligible employees may prefer cross-border health care coverage.

^{iv} Age rated as per Small Group Premium Rate table in effect on Group's effective date. Rates based on enrollee's age as of January 1st of the year in which group contract became effective/renewed. Age rate adjustments occur on renewal date based on enrollee's age as of January 1st of the renewal year. New hire enrollees rate based on the enrollee's age as of January 1st of the year that contract/renewal became effective.

^v Allowed. The carve-out classes must be IRS non-discriminatory and in compliance with ACA, and all eligible employees in the non-carve-out class are offered coverage.