



**BlueCross BlueShield  
of Illinois**



# UNDERSTANDING:

## Small Group Health Coverage Options

On Jan. 1, 2014, group health care coverage will experience important changes in response to the Affordable Care Act (ACA).

As an employer who offers health care coverage, you play a key role in determining the future coverage for your employees. Blue Cross and Blue Shield of Illinois (BCBSIL) is dedicated to providing you with a wide array of coverage choices to meet your business and employees' needs. As you are making decisions about your group's coverage for 2013-2014, we encourage you to discuss with your broker how BCBSIL can support you.

### **Know your options**

Starting in 2014, health care reform will impact underwriting and the way in which rates are determined for your company's health insurance coverage. This new rating methodology and benefit changes, established under ACA, could help shape your decision regarding your group coverage and introduce new points for you to consider.

*These materials are for informational purposes only and do not constitute legal, tax or compliance advice. Please consult with your legal, tax or compliance advisors.*

**"Which of my coverage decisions can be administered by BCBSIL?"**

Although your small group has already renewed, this brochure outlines additional choices that you may be considering:

**Option One: Changing your current health plan(s) coverage renewal date and/or plan options**

**Option Two: Selecting a new plan effective January 2014**

**Option Three: Discussing alternatives to group coverage**

**Questions? Your broker has an expanded and detailed *Market Impact Analysis* personalized for your group.**





### **Option One**

**Changing your current health plan(s) coverage renewal date and/or plan options\*** – If your group has made the decision to change its renewal date, it may have an impact on your group's health coverage. You should consult with your legal and tax advisors when considering such a change. If you have decided to change your group's renewal date to another date in 2013, your current group coverage would continue as it is today.

You may also choose to add or change plan options at the same time as your renewal date change. You'll have the same health plan benefits like you have today, and your group will be rated based on the current benefit plan or any new benefit plan you may select. Plus, if you have made the decision to change your renewal date, your group may offer a new open enrollment period to employees.

If your group has chosen to change its renewal date to December 2013, your renewal period would extend to December 2014. At that time in 2014, if you have a non-grandfathered plan, your current coverage will no longer be available for renewal, and you will select a new plan. (Refer to your *Market Impact Analysis Summary* for an example of a 2014 plan option.) You will need to confirm your choices to us in writing.

### **Option Two**

**Selecting a new plan effective January 2014\*** – It's important to remember that current non-grandfathered health plans, available today, will no longer be available beginning in 2014.

If you're ready to make the change to our new plans, BCBSIL has identified a January 2014 plan for your consideration. This plan most closely resembles your current plan benefits. However, additional plan options are available for you to consider. If you would like to move to a 2014 anniversary date, please refer to the **2014 Benefit Plan Selection Form** (enclosed) and select your desired plan. Please be sure to include this form with your return submission. Selecting a new plan in 2014 will make a new open enrollment opportunity available for your employees.

*\*If your plan has grandfathered status, making these changes in your coverage may result in your plan losing grandfathered status.*

### **Option Three**

**Discussing alternatives to group coverage** – If your business has decided to discontinue your group coverage, your broker and/or BCBSIL representative can assist you and your employees in preparing for the next steps. Beginning in 2014, choosing not to offer group coverage may have impacts for some employers, and you should consult with your legal and tax advisors in considering making such a change.

**Just remember, no matter what coverage changes you may be considering, Blue Cross and Blue Shield is here to help.**

## Compare your options

In making any decisions around your group's health care coverage, it is always a good idea to compare your options. Maybe there is a clear decision just waiting to be discovered.

BCBSIL has created this comparison chart to display the changes you may be considering and what they may mean for your group. Remember to use your *Market Impact Analysis Summary* to help you reach a decision — your broker has your detailed *Market Impact Analysis* if you need additional plans to consider.

|   | Change to a 2013 Renewal Date   | Change to a January 2014 Renewal Date                               | Alternatives to Group Coverage   | No Change to Plan Year or Renewal Date           |
|---|---|---|--|--|
| <b>Rates</b>  | Review your <i>Market Impact Analysis Summary</i>   | Review your <i>Market Impact Analysis Summary</i>                   | For individual rates, talk to your broker or BCBSIL representative   | No change  |
| <b>Penalties, Fees, and Federal and State Taxes</b> | No change for groups with less than 50 employees  | No change for groups with less than 50 employees                    | Talk with your tax advisor to learn more about the potential impact to taxes for not offering group coverage | No change for groups with less than 50 employees |
| <b>ACA Fees</b>                                     | Will apply starting with January 2014 bill  | Will apply starting with January 2014 bill                          | Will apply to individual policies starting with January 2014 bill  | Will apply starting with January 2014 bill       |
| <b>Deadlines</b>                                    | Submit a signed BPA, and if applicable, Grandfathered Health Plan Certification Form no later than <b>Oct. 15, 2013</b> . If making a plan change, include a 2013 BPS form and return no later than <b>Sept. 15, 2013</b> | Submit a signed BPA and 2014 BPS no later than <b>Oct. 15, 2013</b> | Talk to your broker and/or BCBSIL representative   | Not applicable                                   |

\* This deadline is important to ensure a timely Summary of Benefits and Coverage (SBC). Employers are required to provide employees an SBC. Please refer to the [SBC Tool Instructions](#) to access SBCs online. If you experience trouble while using the SBC Tool, please call (855) 756-4448.

**\*\*Important note:** Beginning in 2014, ACA requires that each covered entity providing health insurance (health insurer) pay an annual fee to the federal government, commonly referred to as the Annual Fee on Health Insurers or "Health Insurer Fee." In addition, ACA provides for the establishment of temporary transitional reinsurance program(s) that will run from 2014 through 2016. The reinsurance program will be funded by the Transitional Reinsurance Program Contribution Fee (Reinsurance Fee) from health insurance issuers and self-funded group health plans.

Contact your broker or Blue Cross and Blue Shield of Illinois representative on how your decisions may affect your Dental, Life and Vision coverage.



## Make your decision

If you've decided to make any changes to your coverage for 2013-2014, you'll find the Small Group Benefit Program Application (BPA) included with your *Market Impact Analysis Summary*. Please make sure your forms are returned no later than **Sept. 15, 2013** if making plan changes to a 2013 plan or **Oct. 15, 2013** if making a 2013 renewal date change only or moving to a 2014 plan. You should work with your broker and/or BCBSIL representative to complete and return the necessary forms if you want to change your group's renewal date and/or plan options.

In addition to a renewal date change on the BPA you'll need to confirm you are making appropriate changes to your Employee Retirement Income Security Act (ERISA) plan year on the application. (Talk with your legal counsel in regards to any ERISA changes you plan to make.)

## Return Instructions for Option Changes

If you decide to make a change to your existing renewal date with or without plan changes, please return the following forms:

- Small Group Benefit Program Application (BPA)
- Grandfathered Health Plan Certification Forms (if applicable)
- 2013 (if making changes to a 2013 plan) or 2014 BPS form (required if moving to a 2014 plan)\*




These materials should be returned to BCBSIL via your broker, BCBSIL representative or by email to [smgrp1@bcbsil.com](mailto:smgrp1@bcbsil.com) no later than **Sept. 15, 2013** if making benefit changes to a 2013 plan or **Oct. 15, 2013** if selecting a 2013 renewal date change only or new 2014 plan.

*\*Please note: If you are moving to another 2013 anniversary date (or keeping your current effective date), but would also like to change benefit plans, please refer to the Blue Access online portal for the 2013 BPS. Include this form with your return submission.*

## Decisions Checklist

As a broker and partner with Blue Cross and Blue Shield of Illinois (BCBSIL), you play a role in educating your groups on how the Affordable Care Act (ACA) will impact your group's health care coverage. BCBSIL encourages you to use the *Understanding Your Options* guide and the *Market Impact Analysis* exhibits, personalized for your group, as tools for discussing coverage options. We've outlined the decisions -- by option -- to include additional considerations such as Life and Dental coverage plans. Remember, your BCBSIL account representative is available to assist, too.

### What You'll Need

-  Your group's decision
-  Online access to additional resources
-  Return instructions provided with each option

You're ready to go!

### Option One: Has your group decided to change its renewal date to 2013?

|  | YES, selecting a 2013 renewal date with plan changes   | YES, renewal date only  |
|--|--|---|
| <b>BPA*</b>  | Sign and return the BPA form. <b>IMPORTANT:</b> Enter the new policy anniversary/renewal date (MM/DD/YYYY) in the Additional Provisions section, paragraph D   | Sign and return the BPA form. <b>IMPORTANT:</b> Enter the policy anniversary/renewal date (MM/DD/YYYY) in the Additional Provisions section, paragraph D  |
| <b>BPS*</b>  | 2013 BPS form (with plan changes)  | N/A   |
| <b>Grandfathered Health Plan Certification Form*</b> | If applicable  | If applicable   |
| <b>Dearborn Dental and/or Ancillary Products</b>     | Email anniversary date change questions/inquiries to: <a href="mailto:AnniversaryChange@DearbornNational.com">AnniversaryChange@DearbornNational.com</a>   | Email anniversary date change questions/inquiries to: <a href="mailto:AnniversaryChange@DearbornNational.com">AnniversaryChange@DearbornNational.com</a>  |
| <b>BlueCare Dental</b>                               | Changing the renewal date for the medical plan will also impact the BlueCare Dental anniversary date   | Changing the renewal date for the medical plan will also impact the BlueCare Dental anniversary date  |
| <b>SBC</b>   | The SBC Tool can be found online at Blue Access for Employers or by referencing the <i><a href="#">SBC Tool Instructions</a></i> . If your group experiences trouble while using the SBC Tool, call (855) 756-4448 <ul style="list-style-type: none"> <li>• Employers must provide an SBC to their employees at least 60 days in advance of any plan changes</li> <li>• Plan changes include an opportunity for a new enrollment period</li> </ul> | N/A   |
| <b>Return Instructions*</b>                          | <ul style="list-style-type: none"> <li>• Signed BPA form</li> <li>• Signed 2013 BPS form (with plan changes)</li> <li>• Grandfathered Health Plan Certification form (if applicable)</li> <li>• Email to <a href="mailto:smgrp1@bcbsil.com">smgrp1@bcbsil.com</a> no later than <b>Sept. 15, 2013</b></li> </ul>   | <ul style="list-style-type: none"> <li>• Signed BPA form</li> <li>• Grandfathered Health Plan Certification form (if applicable)</li> <li>• Email to <a href="mailto:smgrp1@bcbsil.com">smgrp1@bcbsil.com</a> no later than <b>Oct. 15, 2013</b></li> </ul> |

## Option Two: Has your group selected a new benefit plan effective January 2014?

|  | YES, the group has selected a 2014 plan  |
|--|--|
| <b>BPA*</b>  | Sign and return the BPA form. <b>IMPORTANT:</b> Enter the new policy anniversary/renewal date (MM/DD/YYYY), in the Additional Provisions section, paragraph D  |
| <b>BPS*</b>  | Signed 2014 BPS form*  |
| <b>Grandfathered Health Plan Certification Form*</b> | If applicable, sign and return   |
| <b>Dearborn Dental and/or Ancillary Products</b>     | Email anniversary date change questions/inquiries to: <a href="mailto:AnniversaryChange@DearbornNational.com">AnniversaryChange@DearbornNational.com</a>   |
| <b>BlueCare Dental</b>                               | Changing the renewal date for the medical plan will also impact the BlueCare Dental anniversary date   |
| <b>Pediatric Dental</b>                              | In 2014, ACA will generally require non-grandfathered insured small group benefit plans to have coverage for certain pediatric dental services that are considered essential health benefits (“EHBs”). To meet this ACA requirement, we will add pediatric dental EHBs (through a Dental QHP) to your Blue Cross and Blue Shield of Illinois coverage, at an additional premium cost – but only for those enrollees eligible for these services, unless you tell us that your employees/dependents (enrolled in applicable medical plan) have pediatric dental EHB coverage through another policy, including BCBSIL. Please use the attached Attestation Form to confirm if your employees and dependents are already covered through a Dental QHP. Once we have confirmation, we will remove the Dental QHP from your coverage. See rates and details in the <i>Market Impact Analysis</i> . |
| <b>SBC</b>   | The SBC Tool can be found online at Blue Access for Employers or by referencing the <a href="#">SBC Tool Instructions</a> . If your group experiences trouble while using the SBC Tool, call (855) 756-4448. <ul style="list-style-type: none"> <li>• Plan changes require employers to provide an SBC to their employees at least 60 days in advance of any plan changes</li> <li>• Plan changes include an opportunity for a new enrollment period</li> </ul>  |
| <b>Return Instructions*</b>                          | <ul style="list-style-type: none"> <li>• Signed BPA form</li> <li>• Signed 2014 BPS form</li> <li>• Pediatric Dental Attestation form</li> <li>• Email to <a href="mailto:smgrp1@bcbsil.com">smgrp1@bcbsil.com</a> no later than <b>Oct. 15, 2013</b></li> </ul>   |

\*The BPA, 2014 BPS and Grandfathered Health Plan Certification Form (if applicable) are included with each Market Impact Analysis exhibit email.

## Option Three: Has your group decided to review alternatives to group coverage?

**Yes**, my group has expressed interest in reviewing alternatives to group coverage. Review the *Alternatives to Group Coverage* brochure which can also be accessed in the Marketing and Sales center (*Market Impact Analysis/Renewal Exhibit Toolkit*) on the [Blue Access portal](#). You’ll also find other valuable resources for brokers including Express Link information and more.

**Questions? Contact your BCBSIL representative today.**