



Underwriting Guidelines

Plans Underwritten by Health Net Health Plan of Oregon

Contract Period: April 1, 2006 through July 31, 2007

24 Hour Coverage:	<ul style="list-style-type: none"> For Owners/officers excluded from Workers Compensation is included in the medical plan.
Classes:	<ul style="list-style-type: none"> Groups may select eligibility and contribution provisions by class (maximum of three)
COBRA:	<ul style="list-style-type: none"> All employees qualify for COBRA benefits. All groups are subject to COBRA compliance laws.
Dependents:	<ul style="list-style-type: none"> Dependents are covered to age 23 regardless of student status.
Domestic Partners:	<ul style="list-style-type: none"> Coverage is available to all groups; requires a \$2.25 per employee extra premium for the entire group.
Dual Choice Option:	<ul style="list-style-type: none"> Groups with 20 or more enrolling may offer two medical plans to their employees as a dual choice (minimum of 3 employees per plan) or by class or location. If dual choice is elected, rates will increase by approximately 5%.
Existing Health Net Groups	<ul style="list-style-type: none"> Groups currently covered by Health Net (direct or through another association or trust) can only be quoted for an 8/1 effective date.
Final Rates:	<ul style="list-style-type: none"> Sold groups will be reviewed by Underwriting. Final rates depend on actual enrollment.
Group Eligibility:	<ul style="list-style-type: none"> Group must join Pacific Health Trust either through an endorsed association or directly by paying the \$90 annual trust fee. Must have a minimum of 2 enrolled employees.
Late Enrollees:	<ul style="list-style-type: none"> Late enrollees may enroll at open enrollment only, unless they have a qualifying event.
Medicare:	<ul style="list-style-type: none"> Medicare is primary and Health Net is secondary for groups of 20 or less employees. If a member is on disability and the group is less than 100 employees, Medicare will be primary and Health Net will be secondary.
Minimum Contribution and Participation:	<ul style="list-style-type: none"> Employer must contribute at least 75% toward the cost of employee coverage or 50% toward the cost of both employee coverage and dependent coverage. At least 75% of eligible employees must enroll. The employer is not required to contribute towards the cost of dependent coverage, however, 50% of eligible dependents must enroll.
Open Enrollment:	<ul style="list-style-type: none"> July 2007 (Allow covered members to change plan when more than one plan is offered by the employer.)
Out-of-Area Employees:	<ul style="list-style-type: none"> Employees residing outside Washington are not limited. However, rates will reflect the percentage of out-of-area employees in the group. Please include ZIP codes for employees residing outside WA State.
Pre-Existing Waiting:	<ul style="list-style-type: none"> 6 month look-back for 3 month pre-existing condition waiting period. Credit for coverage under prior carrier's contract if less than 91 day break in coverage.
Probationary Period:	<ul style="list-style-type: none"> Newly Eligible Employees: First day of the month following 0, 30, 60, 90, or 180 days from date of hire.
Rate Guarantee	<ul style="list-style-type: none"> Rates are guaranteed through July 31, 2007 unless otherwise noted.
Remittance:	<ul style="list-style-type: none"> All premiums will be paid by EFT.
Renewal:	<ul style="list-style-type: none"> Anniversary date is August 1, 2007.
RFP Restriction:	<ul style="list-style-type: none"> Quotes for groups 51+ cannot be issued to the same agent from both Pacific Health Trust and Health Net direct. You will only receive one quote based on the first RFP received.
Right to Decline:	<ul style="list-style-type: none"> If any of the Underwriting Guidelines are not met, coverage will be declined.
Underwriting:	<ul style="list-style-type: none"> Individual health statements are required for each enrolling employee.