

Guidelines for Small Groups

Empire BlueCross BlueShield now makes it easier than ever for you to sell and enroll small groups.
It's as simple as one, two, three!

Enroll Groups 2-50 in three steps:

- 1. Establish Eligibility**
- 2. Credential Groups**
- 3. Submit the Paperwork**

Products include:

**HMO • Direct HMO • Direct POS
DirectShareSM POS • Empire Total BlueSM
EPO • PPO • Dental**



www.empireblue.com

Step 1: Establish Eligibility

In order to establish eligibility, your groups must meet the following requirements in terms of:

Eligibility Guidelines for Groups 2—50	
Group Size	Small Groups are defined as businesses that have between 2-50 eligible employees.
Employee Status	<ul style="list-style-type: none"> • Eligible employees <ul style="list-style-type: none"> - Active full-time employees working at least 20 hours per week (Groups may opt to increase the minimum number of hours per week) - Owners, partners, officers of a business, elected public officials or paid members of the Board of Directors - COBRA employees and retirees (however, no COBRA-only groups, nor Retiree-only groups) • Ineligible employees <ul style="list-style-type: none"> - Part-time, temporary, seasonal and leased employees - Consultants and independent contractors (1099 employees) • Optional exclusions <ul style="list-style-type: none"> - Union-affiliated employees
Minimum Participation	<ul style="list-style-type: none"> • In the downstate region, PPO, EPO, POS and Indemnity products require 60% minimum participation. • In the upstate and mid-Hudson region, PPO, EPO, POS and Indemnity products require 50% minimum participation. • A minimum of 2 contracts per group are required for all products except HMO and Direct HMO. • HMO and Direct HMO products do not require minimum enrollment or minimum participation. However, the group must have at least two active full-time employees. • For Empire Total Blue, the group must have at least two people enrolled in any Empire-insured product. However, only one contract is required in the Empire Total Blue product. • HMO and Direct HMO products will count toward PPO, EPO, POS and Empire Total Blue participation levels if Empire is the only carrier being offered.
Dual Options	Up to two products may be offered alongside each other. Please refer to the Small Group Product Combination Guidelines chart in this brochure.
Employer Location	<p>Small Group businesses must have a bona fide New York address within Empire's Operating Area. Empire's Operating Area is divided into three regions which include the following counties:</p> <ul style="list-style-type: none"> • Downstate: Bronx, Kings, Nassau, New York, Queens, Richmond, Rockland, Suffolk and Westchester • Mid-Hudson: Dutchess, Orange, Putnam, Sullivan and Ulster • Upstate: Albany, Clinton, Columbia, Delaware, Essex, Fulton, Greene, Montgomery, Rensselaer, Saratoga, Schenectady, Schoharie, Warren and Washington
Employee Location	<ul style="list-style-type: none"> • POS and HMO In order to enroll, eligible employees must reside in Empire's Operating Area or in the contiguous counties of New Jersey and Connecticut. <ul style="list-style-type: none"> - NJ Contiguous Counties: Bergen, Essex, Hudson, Middlesex, Monmouth, Passaic, Sussex, Union - CT Contiguous Counties: Fairfield, Litchfield Members residing outside of Empire's operating area or the contiguous counties to the Empire operating area, may choose the POS and/or HMO product, provided they use the Empire contracted provider network for in network coverage. • PPO, EPO and Empire Total Blue Because these products are supported by a national network, eligible employees living anywhere in the United States are able to enroll.



Step 2: Credential Groups

In order to establish a small group, we require the following documentation:

Employer Eligibility

Category	Documentation
Business Verification	<ul style="list-style-type: none"> - NYS-45 (NYS Quarterly Wage Report) - If unavailable, a letter from CPA explaining why the NYS-45 isn't available, the total number of employees and a copy of the last filing or a complete and current payroll listing.
New Business	<ul style="list-style-type: none"> - SS-4 (Application for Employer ID Number). - Filing Receipt and Certificate of Incorporation. - Payroll listing and letter from accountant.
Groups using a Doing Business As (DBA)	<ul style="list-style-type: none"> - Copy of NYS Certificate of Assumed Name.
Tax Exempt Organizations	<ul style="list-style-type: none"> - Document showing tax exempt status from IRS - If NYS-45 is available it must be provided. If not available please provide the following: - Employee Roster (if there is no roster we require a notarized letter which contains a list of all employees, their SSNs, why there is no NYS-45, and state that the organization does not employ anyone else that is tax-exempt).
Segmented Groups	<p>Some employers may choose to segment their employees into 2 groups and offer a different product to each segment. The segments must be clearly defined, based on employment, and be non-discriminatory. Each segment is treated as a separate group when calculating participation. The total number of employees in all segments will be used to determine group size.</p> <ul style="list-style-type: none"> - Employees' status must be noted on the NYS-45. - An explanatory letter from the employer required.

Employee Eligibility

Category	Documentation
Verification of New Employees	<ul style="list-style-type: none"> - W4 and/or payroll stub/cancelled check if not included on NYS-45.
Ineligible Employees	<ul style="list-style-type: none"> - Status must be noted on NYS-45. - Copy of Union Roster for Union-Affiliated employees.
Owners, Partners, Officers, Elected Officials, Paid Board Members	<ul style="list-style-type: none"> - Acceptable forms include Schedule C, Schedule K-1 (totaling 100% of the ownership interest in the partnership), Form 851, Form 990, Form 1120, other tax documentation that substantiates proof of eligibility.
Retirees	<ul style="list-style-type: none"> - Letter stating company contributes at least 50% of premium for retirees. Documentation certifying that the retiree was formerly employed by the group. - All names and Social Security Numbers required.
Out-of-Area Employees	<ul style="list-style-type: none"> - Quarterly Wage Report for area, with address of the out-of-area sites. - This must be submitted for all employees working outside of Empire's Operating Area.
Spouses Covered Under Other Plans	<ul style="list-style-type: none"> - Indicate on NYS-45 and include copies of spouses' other carrier ID cards. - These employees will be counted as eligible and participating.
Portability	<ul style="list-style-type: none"> - Proof from prior carrier containing covered person's name, contract type, level of benefits and period covered. - Please note that Empire has an 11-month waiting period for pre-existing conditions unless portability has been established.

Step 3: Submit the Paperwork

Please submit a complete sales package 10 business days prior to the next effective date.

Sales Package Requirements

Signed Group Application

- Group Name, Address
- Federal Tax ID
- GBA name (if not employed by group, authorization letter required)
- New employee eligibility
- Company contribution
- Manner of payment
- Tier structure
- Coverage options, including all rider information
- Broker declaration

Group Contract for Community HMO

- Provide all requested information, including additional riders and open enrollment period.

HSA Account Service Agreement

- Required for all Empire Total Blue sales when group is establishing an account with our HSA custodian.

New Member Application

- Include member's social security number and dependent information.
- For employees over 65, where Medicare is primary, submit copy of Health Insurance Benefit (HIB) cards.

First Premium

- All new groups must submit first premium on a company check whether they have a monthly or quarterly payment plan.
- New businesses may submit bank check or money order.

Credentialing Documentation

- Include copies of all credentialing documentation (described in Step 2 on previous page) with the group and member applications.

- Please note that riders must remain in effect for a minimum of 12 months. If a group discontinues a rider, that group may not repurchase that rider for at least 12 months following the date of discontinuance.
- Also note that changes in group eligibility, rate structure or benefits may be made only on the group's renewal date.

Special Notes on Calculating Minimum Participation

- For groups with more than one Empire product, the total number of enrolled eligible employees across all lines of business (excluding HMO) is used when determining if the account meets minimum participation requirements.
- Empire's HMO will be considered participating only if coverage purchased is a full replacement.
- When offering a POS plan, employees living outside the eligible area may be excluded when calculating participation.
- Once the non-eligible population and other exclusions are deducted, the minimum participation may be calculated for the group. (Do not include COBRA members, retirees or spouses of retirees.)

Effective Dates and Submission Dates

Effective Dates for new business are on the 1st and 15th of the month. New business must be submitted at least 10 business days prior to the effective date. Any incomplete portions of a sales package may result in a delay of your client's effective date.

Mailing Address

Please send your completed sales package to:

Empire BlueCross BlueShield
3 Huntington Quadrangle
Melville, NY 11747
Attn: Membership and Billing, 4th floor

Empire Support

• Broker Relations

Empire is dedicated to serving brokers in writing new business for small groups. Broker Relations is available Monday through Friday from 8:30 a.m. to 5:00 p.m. at **1.877.222.7666**.

• Broker Website

For the most up-to-date eligibility guidelines, product information, quoting tools, online renewals, and necessary forms, please visit **www.empireblue.com** and click on "Brokers."

This document is for broker reference purposes only. Empire reserves the right to modify, change, amend or delete these procedures.



Small Group Product Combination Guidelines

Plan	Dual Option Allowed?	Allowed with segmentation? ¹	Different Tiers Available? ²
HMO–HIGH/LOW	No	Yes	Tiers Must Match
HMO/Direct HMO	Yes	Yes	Tiers Must Match
HMO/DirectShare SM POS	Yes	Yes	2, 3, or 4 Tier HMO available with 4 Tier DSPOS
HMO/Direct POS 6-16	Yes	Yes	2, 3, or 4 Tier HMO available with 4 Tier Direct POS
HMO/Direct POS 1-5	No	Yes	2, 3, or 4 Tier HMO available with 4 Tier Direct POS
HMO/EPO	Yes	Yes	4 Tier Only
HMO/PPO	Yes	Yes	4 Tier Only
HMO/Empire Total Blue	Yes	Yes	2, 3, or 4 Tier HMO available with 4 Tier ETB
DIRECT HMO – HIGH/LOW	No	Yes	Tiers Must Match
DIRECT HMO/HMO	Yes	Yes	Tiers Must Match
DIRECT HMO/DirectShare POS	Yes	Yes	2, 3, or 4 Tier DHMO available with 4 Tier DSPOS
DIRECT HMO/Direct POS 6-16	Yes	Yes	2, 3, or 4 Tier DHMO available with 4 Tier Direct POS
DIRECT HMO/Direct POS 1-5	No	Yes	2, 3, or 4 Tier DHMO available with 4 Tier Direct POS
DIRECT HMO/EPO	Yes	Yes	4 Tier Only
DIRECT HMO/PPO	Yes	Yes	4 Tier Only
DIRECT HMO/Empire Total Blue	Yes	Yes	2, 3, or 4 Tier DHMO available with 4 Tier ETB
DIRECT POS – HIGH/LOW	Yes	Yes	4 Tier Only
DIRECT POS 1-5/DirectShare POS	No	Yes	4 Tier Only
DIRECT POS 6-16/DirectShare POS	Yes	Yes	4 Tier Only
DIRECT POS/EPO ³	No	No	N/A
DIRECT POS/PPO ⁴	No	No	N/A
DIRECT POS/Empire Total Blue	Yes	Yes	4 Tier Only
DirectShare POS – HIGH/LOW	Yes	Yes	4 Tier Only
DirectShare POS/EPO ³	No	No	N/A
DirectShare POS/PPO ⁴	No	No	N/A
DirectShare POS/Empire Total Blue	Yes	Yes	4 Tier Only
EPO - HIGH/LOW	No	No	N/A
EPO/PPO ⁵	No	No	N/A
EPO/Empire Total Blue	Yes	Yes	4 Tier Only
PPO - HIGH/LOW	No	No	N/A
PPO/Empire Total Blue	Yes	Yes	4 Tier Only
Empire Total Blue – HIGH/LOW	Yes	Yes	4 Tier Only

¹ 1 option per segment

² In segmented groups, the tiers do not need to match between varying segments.

³ EPO may only be added if there are out-of-area employees.

⁴ PPO may only be added if there are out-of-area employees.

⁵ PPO may only be added for employees living in an EPO-excluded state. Excluded states include: ARKANSAS, ARIZONA, FLORIDA, HAWAII, MAINE, MONTANA, NEBRASKA, NEW MEXICO, NORTH DAKOTA, RHODE ISLAND, TEXAS, UTAH, WASHINGTON, and WYOMING.

Documentation Required for Changes at Renewal

Conversion Type	Letter from Group	Master Application	Credentialing Documentation	HMO Group Contact	HSA Account Service Agreement
ADDING/DELETING A RIDER	X				
TIER CHANGES	X				
CHANGES TO Rx OPTIONS	X				
CHANGES FROM ONE BENEFIT OPTION TO ANOTHER (Within same product)	X				
HMO TO DC-HMO	X				
HMO TO POS		X	X		
HMO TO EPO OR PPO		X	X		
HMO TO EMPIRE TOTAL BLUE		X	X		X
DC-HMO TO HMO	X				
DC-HMO TO POS		X	X		
DC-HMO TO EPO OR PPO		X	X		
DC-HMO TO EMPIRE TOTAL BLUE		X	X		X
POS TO HMO		X	X	X	
POS TO DC-HMO		X	X	X	
DIRECT POS TO DIRECT SHARE POS	X				
POS TO EPO		X	X		
POS TO PPO		X	X		
POS TO EMPIRE TOTAL BLUE		X	X		X
DSPOS TO EMPIRE TOTAL BLUE		X	X		X
EPO TO HMO OR DC-HMO		X	X	X	
EPO TO POS		X	X		
EPO TO PPO		X	X		
EPO TO EMPIRE TOTAL BLUE		X	X		X
PPO TO HMO OR DC-HMO		X	X	X	
PPO TO POS (according to underwriting guidelines)		X	X		
PPO TO EPO		X	X		
PPO TO EMPIRE TOTAL BLUE		X	X		X
TRAD PLUS TO ANY OTHER PRODUCT		X	X		
LARGE GROUP TO COMMUNITY GROUP		X	X		

* Remember that you can renew your groups online at www.empireblue.com



Services provided by Empire HealthChoice HMO, Inc. and/or Empire HealthChoice Assurance, Inc., licensees of the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans.

Small Group Dental – Underwriting and Enrollment Guidelines

Dental Product	Eligibility Requirements
Comprehensive Care	<ul style="list-style-type: none"> • Minimum of 1 to enroll, a minimum of 5 to enroll when offered as a stand-alone product • Must select a PCD
Preventive Care and Preventive Care Plus	<ul style="list-style-type: none"> • Minimum of 1 to enroll, a minimum of 5 to enroll when offered as a stand alone product • Must select a PCD
Premium Care (PPO)	<ul style="list-style-type: none"> • Group size 5 - 14 eligible – 100% participation for employees and dependents • Group size 15 to 50 eligible – the group can choose: <ul style="list-style-type: none"> - 100% employee and 100% dependent participation - 100% employee and 75% dependent participation - 75% employee and 75% dependent participation • A PCD is not required
Progressive Dental (Indemnity)	<ul style="list-style-type: none"> • A minimum of 2 to enroll, 100% participation required • For the downstate region only: this product may only be offered to groups with 2-4 enrolling • Cannot be sold as a stand-alone product • A PCD is not required
Open Access Voluntary (Indemnity)	<ul style="list-style-type: none"> • Minimum of 5 to enroll, no other participation requirements • A PCD is not required

Empire Dental Products

Empire offers a wide range of dental plans for small groups with as few as two employees. To find out more and generate a quote, please go to www.empireblue.com and click on **Brokers**.