BlueCross BlueShield Nebraska

QUESTIONS AND ANSWERS

For members of the Nebraska Trucking Association Health Benefits Alliance

For plans effective Jan. 1, 2021 and after

In conjunction with the Nebraska Trucking Association (NTA), Blue Cross and Blue Shield of Nebraska (BCBSNE) is offering a variety of health care coverage options to members of the Nebraska Trucking Association Health Benefit Alliance (NTAHBA). This coverage is called the Nebraska Trucking Association Member Health Plan. Throughout the plan development process, a number of questions have been received; they are addressed below.

What is the criteria to determine if a group is eligible for group coverage with BCBSNE?

The NTA is excited to make the NTA Member Health Plan available! To participate in this plan, you must be a member of the NTA Member Health Plan and your group must meet certain eligibility requirements. These requirements include employer contribution, employee participation and employee eligibility. The specifics of each of these requirements are described below. In addition, three examples are shown to illustrate situations where groups meet or do not meet eligibility and participation requirements. Examples 1 and 3 show how a group meets the requirements; Example 2 shows how a group does not meet the requirements.

Employer Contribution Requirement – Groups must contribute a minimum of 50% of the single employee premium for all eligible employees enrolled with the group, excluding shareholders, partners and owners.

Eligibility Requirement – Employees of groups with less than 50 employees must work at least 17.5 hours per week to satisfy the eligibility requirement. Groups with 50 or more employees may set the minimum threshold to determine employee eligibility as low as 17.5 work hours per week, but no higher than 30 hours per week.

Participation Requirement – Each subgroup must meet minimum participation requirements of 75% (net) of all eligible employees, less valid waivers, but with no less than 25% (gross) of total eligible employees, or 50% (gross) of total eligible employees. See explanation and examples in the questions and answers below.

› EXAMPLE 1 – 75%/25% (net/gross) participation rule IS NOT met, but the 50% (gross) participation rule IS. This Group WOULD QUALIFY.

This group has six employees, five meet eligibility requirements and one does not.

Employee #1 is married, meets eligibility, has an individual policy elsewhere and is declining coverage (invalid waiver).

Employee #2 is single, meets eligibility and is applying for coverage.

Employee #3 is married, meets eligibility, has coverage through spouse's individual plan and is declining coverage (invalid waiver).

Employee #4 is married, meets eligibility and is applying for coverage.

Employee #5 works 20 hours per week, is single, meets eligibility and is applying for coverage.

Employee #6 works 15 hours per week which doesn't meet the minimum requirement, so she is ineligible.

Even though this group does not satisfy the 75%/25% (net/gross) due to low gross participation, it is eligible because its 60% gross participation does satisfy the 50% (gross) rule.

EXAMPLE 1	75%/25% (Net/Gross) Rule	50% (Gross) Rule
1. Total eligible employees on the payroll on the effective date of the contract	5	5
2. Eligible employees not enrolling due to other group coverage, Medicare or Medicaid (valid waivers)	0	N/A
3. Eligible employees not enrolling due to individual coverage, other or unknown reasons (invalid waivers)	2	N/A
4. Total employees enrolling	3	3
5. Total employees eligible minus valid waivers (line 1 - line 2)	5	N/A
6. Gross percentage of employees enrolling (line 4 ÷ line 1)	60%	60%
7. Net percentage of employees enrolling (total enrolling/total employees eligible minus valid waivers line 4 ÷ 5)	60%	N/A

› EXAMPLE 2 – Neither net/gross participation of 75%/25% nor gross participation of 50% is met – GROUP WOULD NOT QUALIFY.

This group has five employees and all five meet eligibility requirements.

Employee #1 is married, meets eligibility, has coverage through spouse's employer group plan and is declining coverage (valid waiver).

Employee #2 is single, meets eligibility, but has Medicare and is declining coverage (valid waiver).

Employee #3 is married, meets eligibility, has coverage through spouse's employer group plan and is declining coverage (valid waiver).

Employee #4 is married, meets eligibility and is applying for coverage.

Employee #5 is married, meets eligibility, has coverage through spouse's employer group plan and is declining coverage (valid waiver).

In this case NEITHER PARTICIPATION RULE IS MET. In order to meet the 75% (net) rule, at least 25% (gross) total participation must be met.

EXAMPLE 2	75%/25% (Net/Gross) Rule	50% (Gross) Rule
1. Total eligible employees on the payroll on the effective date of the contract	5	5
2. Eligible employees not enrolling due to other group coverage, Medicare or Medicaid (valid waivers)	4	N/A
3. Eligible employees not enrolling due to individual coverage, other or unknown reasons (invalid waivers)	0	N/A
4. Total employees enrolling	1	1
5. Total employees eligible minus valid waivers (line 1 - line 2)	1	N/A
6. Gross percentage of employees enrolling (line 4 ÷ line 1)	20%	20%
7. Net percentage of employees enrolling (total enrolling/total employees eligible minus valid waivers line 4 ÷ 5)	100%	N/A

› EXAMPLE 3 – Net/gross participation of 75%/25% IS met, but gross participation of 50% is NOT met – GROUP WOULD QUALIFY.

This group has seven employees and all seven meet eligibility requirements.

Employee #1 is married, meets eligibility, has coverage through spouse's employer group plan and is declining coverage (valid waiver).

Employee #2 is single, meets eligibility, but has Medicare and is declining coverage (valid waiver).

Employee #3 is married, meets eligibility and is applying for coverage.

Employee #4 is married, meets eligibility, has coverage through spouse's employer group plan and is declining coverage (valid waiver).

Employee #5 is married, meets eligibility and is applying for coverage.

Employee #6 is married, meets eligibility, has coverage through an individual plan and is declining coverage (invalid waiver).

Employee #7 is single, meets eligibility and is applying for coverage.

75%/25% (net/gross) met, 50% (gross) NOT met.

EXAMPLE 3	75%/25% (Net/Gross) Rule	50% (Gross) Rule
1. Total eligible employees on the payroll on the effective date of the contract	7	7
2. Eligible employees not enrolling due to other group coverage, Medicare or Medicaid (valid waivers)	3	N/A
3. Eligible employees not enrolling due to individual coverage, other or unknown reasons (invalid waivers)	1	N/A
4. Total employees enrolling	3	3
5. Total employees eligible minus valid waivers (line 1 - line 2)	4	N/A
6. Gross percentage of employees enrolling (line 4 ÷ line 1)	43%	43%
7. Net percentage of employees enrolling (total enrolling/total employees eligible minus valid waivers line 4 ÷ 5)	75%	N/A

What is the definition of a valid waiver and what qualifies as one?

A valid waiver is the opportunity to opt out of a health plan by making a formal request under certain circumstances. Approved circumstances include coverage under another group policy, Medicare, Medicaid or TRICARE. Individual policies are not considered valid.

Does the plan require eligible employees to enroll in coverage in order for their dependents and spouses to obtain coverage?

Yes.

Who is the plan available to?

The plan is available to entities that are domiciled in the state of Nebraska, are members of the NTA Member Health Plan, employ at least one common law employee in the state of Nebraska and are engaged in the trucking industry.

Are there limitations on pre-existing conditions?

There are no pre-existing condition limitations on the plan.

I am a sole proprietor. May I be covered under this plan?

Not currently. However, if you have an employee working 17.5 or more hours per week, you are not considered a sole proprietor and are eligible for coverage as a two-person group.

Are owner operators and/or independent contractors allowed on the plan?

Yes, owner operators and/or independent contractors are allowed to obtain coverage under the plan as long as they do not make up more than 50% of the enrolled participants.

Owner operators and/or independent contractors are eligible to obtain coverage through an employer subgroup for which they are actively contracted and only during the period they are actively contracted. These individuals must meet all other eligibility requirements to obtain coverage and will not count toward an employer subgroup's eligibility to participate in the NTA Member Health Plan.

If I move to the NTA Member Health Plan from my current insurance plan, will I have a gap in coverage or be double covered?

In order to ensure there is no gap in coverage or double coverage, cancellation of a current policy will need to take place the day before this policy goes into effect.

Who is considered an eligible employee?

BCBSNE's underwriting guidelines define eligible employees as all regular full-time and permanent part-time employees (not including seasonal or temporary employees), who are actively performing the duties of their principal occupation for the required hours per week. "Actively at work" requirements shall be applied in a manner consistent with HIPAA non-discrimination rules.

Example for groups under 50 – An eligible employee for coverage is defined as an employee actively performing duties for a minimum of 17.5 hours per week and no cap as a maximum.

Example for groups 50 and over – Full-time employees will still be subject to the minimum hours per week of 17.5 hours per week and a maximum of 30 hours per week.

We have an employee who currently has coverage with her spouse's plan. She may want NTA Member Health Plan coverage at a later date if the spouse retires early. Is that OK?

Yes, if an employee currently has coverage through their spouse, and loses coverage as a result of the spouse's retirement, that is considered a special enrollment period. The employee could enroll in the NTA Member Health Plan at that time, provided their employer subgroup is participating in the plan. They will have 31 days to enroll in the coverage.

How do the rate tables work?

BCBSNE will assign your group to one of seven rate tables (AA - F) based on the risk score for your group.

For groups with less than 20 full-time employees enrolling, the rate band assigned to the subgroup will be dependent on the medical risk factor developed from the individual medical questionnaires. For groups with 20 or more full-time employees enrolling, the rate band assigned to the subgroup will be dependent on the medical risk factor developed from the GRx census. If additional information is available, e.g. paid claims experience, large claims activity, prior carrier data, etc., this will also be factored in when determining the rate band.

After you complete and submit your group enrollment application to North Risk Partners, your group will be reviewed by BCBSNE's medical underwriting team and placed into a rate table based on the overall health risk of your group.

Will a subgroup covered under the plan ever have the opportunity to change rate tables?

Subgroups will be subject to rate band adjustments upon renewal as long as they have 13 months of paid claims experience with the plan. Changes will be limited to one rate band, up or down, in any one rating period.

BCBSNE will also review the overall health risk of each group with the potential to move groups up or down one rate table per year based on the overall health status of enrolled employees and dependents within each group. Limiting the group to one rate band up or down will help stabilize the experience and rates for the plan and the individual groups within the health plan. This will only be done annually as part of the plan renewal.

Is enrolling the only way we can find out how much coverage costs? May we decline coverage after receiving our quote?

Your group may decline coverage after receiving your quote. You may consider enrolling during a future enrollment period, but an updated health enrollment application will be needed at that time.

Is the assigned rate band the same for the entire employer subgroup or does it depend on each enrollee?

The assigned rate band will be the same for the entire employer subgroup.

What are the plan and network options?

› **Groups with 2-49 enrolled employees** can select up to two medical plan options and any combination of the three networks.

› **Groups with 50+ enrolled employees** can select up to three medical plan options and any combination of our three network options.

If a subgroup terminates coverage, may the subgroup reapply at a later date?

If a subgroup discontinues coverage, the group must wait 24 months from the date of cancellation to reapply.

May employer and employee premiums be paid with pretax dollars?

Typically, premiums for coverage through the plan can be paid using pretax dollars. Employers should seek guidance from their own tax or benefits counsel.

Is more detailed information available on the plan options?

Yes, to receive a complete schedule of benefits for the plan(s) you are interested in, please contact North Risk Partners at 402-905-9057 or 402-905-9059 or via email at NTAHBA@northriskpartners.com.

GET STARTED

Contact:

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Include the following:

- Group's name, address and phone number
- Total number of eligible employees