

EMPLOYER ADMINISTRATIVE GUIDE



WHAT'S INSIDE:

Carrier Customer Service Information	3
Welcome to ChoiceBuilder®	4
Member Privacy Statement	5-6
Website	7
Tips for Successful Enrollment	8
Coverage Eligibility Requirements	9
Administration Basics	10-12
New Hire Enrollment	10
Return from Military Leave.....	11
Voluntary/Involuntary Termination—Employees	11
Late Enrollees	12
Rehires	12
Family Coverage	13-15
Spouse Eligibility.....	13
Domestic Partner Eligibility	13
Children Eligibility	13
Disabled Dependent.....	14
Terminations - Dependent	15
Terminating Over-age dependents.....	15
Enrollment Changes	16
Change in Family Status	17
New Dependent Enrollment.....	17
Change in Group Policy	18-19
Group Change Guidelines.....	18-19
About COBRA	20-21
Employers Subject To COBRA (Federal).....	20
Domestic Partner Eligibility under COBRA (Federal).....	21

About Cal-COBRA	22
Employers Subject To Cal-COBRA (State).....	22
Employee/Dependent Responsibilities	22
Employer Responsibilities for Cal-COBRA	22
Related Laws	23
HIPAA.....	23
Important - Your Premium Statement	24
Policy Information	24
Total Balance Due.....	24
Invoice Pages.....	24
Adjustment Page.....	24
Employee Change Codes	24
Billing	25
Billing Cycle.....	25
Credits	25
Administration Fee.....	25
Returned Checks	25
Group Cancellations	25
Annual Renewal Timeline	26
Frequently Asked Questions	27-29
General Information	27
Dental HMO	28
Dental PPO	28
Vision.....	28
Payments.....	29

CARRIER CUSTOMER SERVICE INFORMATION

Each carrier also has customer services available to members. Please contact your carrier if you have questions regarding your provider services, claims assistance, or require authorization for services.

Dental

Ameritas	(800) 487-5553
English/Español, Monday–Thursday 7:00 a.m.–12:00 a.m. Central Time	
Friday 7:00 a.m.–6:30 p.m. Central Time	
Anthem Blue Cross	(877) 567-1804
English/Español, Monday–Friday 5:00 a.m.–6:00 p.m. Pacific Time	
Delta Dental DHMO	(800) 422-4234
English/Español, Monday–Friday 5:00 a.m.–6:00 p.m. Pacific Time	
Delta Dental DPP0	(888) 335-8227
English/Español, Monday–Friday 5:00 a.m.–6:00 p.m. Pacific Time	
MetLife.....	(800) 942-0854
English/Español, Monday–Friday 8:00 a.m.–11:00 p.m. Eastern Time	

Vision

EyeMed (provided by Ameritas)	(866) 289-0614
English/Español, Monday–Friday 8:00 a.m.–11:00 p.m. Eastern Time	
VSP® Vision Care.....	(800) 877-7195
English/Español, Monday–Friday 5:00 a.m.–8:00 p.m. Pacific Time	
Saturday 7:00 a.m.–7:00 p.m. Pacific Time	
Sunday 7:00 a.m.–7:00 p.m. Pacific Time	

Chiropractic/Acupuncture

Landmark Healthplan	(800) 638-4557
English/Español, Monday–Friday 5:00 a.m.–5:00 p.m. Pacific Time	

Life

Assurity Life Insurance Company	(800) 869-0355
English/Español, Monday–Friday 7:00 a.m.–5:00 p.m. Central Time	

If you have administrative and/or billing questions, please contact ChoiceBuilder® at (866) 412-9279.

We're proud to be a part of your benefit program!

This Employer Administrative Guide will guide you through various administrative procedures, as well as answer general questions about the ChoiceBuilder program. Please feel free to call our Customer Service Center at (866) 412-9279 if you need further assistance.

ChoiceBuilder administers your application for coverage and processes your monthly billing. The contracts (Group Service Agreement and/or Master Policy) for your applicable ChoiceBuilder carriers are held by the ChoiceBuilder Welfare Benefit Insurance Master Trust. To view your contract(s) online go to **www.choicebuilder.com**, login and click on the Forms tab. Please download the contracts specific to your carrier and product selections and retain them with this Employer Administrative Guide for future reference.

Keep In A Safe Place

MEMBER PRIVACY STATEMENT

ChoiceBuilder® is proud to provide quality employee benefit products and services to our customers. Keeping your personal information secure and protecting your privacy rights are important to you, and it is one of our top priorities.

This statement tells you about the information we request from our customers. It also tells you how we safeguard the personal information and protect the privacy rights of our current and former customers.

Our Privacy Commitment to You

ChoiceBuilder will safeguard your personal information and protect the privacy rights of our customers in accordance with state and federal laws. We will accomplish this in ways that are reasonable and consistent with sound business practices.

Protecting Your Health Information

We do not share your personal health information (such as medical questionnaires) except when necessary to conduct underwriting reviews at the time of your Employer's initial enrollment through ChoiceBuilder or upon an Employer requested underwriting review at a subsequent renewal. In certain circumstances, we may share your personal health information if permitted or required by law.

ChoiceBuilder is committed to protecting the confidentiality and security of your private health information. We maintain physical, electronic, and process safeguards that restrict unauthorized access to your personal health information. These security procedures include locked files and information system security measures such as user passwords, data encryption or firewall technology.

ChoiceBuilder employees are required to comply with our policies and procedures to protect the confidentiality of your personal health information. Any employee who violates our privacy policy is subject to a disciplinary process. Employee access to private information is limited on a business "need-to-know" basis such as: when necessary to conduct underwriting reviews, or for anonymous statistical analysis.

Information About Our Customers

ChoiceBuilder receives information about you in order to provide customer service, offer new products or services, administer our products, and fulfill other legal and regulatory requirements. We will provide you with access to this information and the ability to review, amend, correct or copy this information, if we are required to do so under state law. The methods we use to protect this information are similar to those described above to protect your health information.

The information we receive may vary by product; therefore, the examples that follow may not apply to all customers but are designed to show the general categories of information that may be received and maintained by ChoiceBuilder:

- Information provided by you on applications, forms, surveys and our Web sites, such as your name, address, date of birth, Social Security number, gender, marital status and dependents.
- Information provided by your employer.
- Information about your transactions and experiences with ChoiceBuilder such as: products or services purchased, account balances, payment history, policy coverage, and premiums.

(Continued)

MEMBER PRIVACY STATEMENT

Information Shared Within the Word & Brown Family of Companies

While understanding the importance of protecting your personal information, certain information will need to be shared during the normal course of business. We may disclose to the extent permitted by law the personal information we receive about you, as described above, within the Word & Brown family of companies.

Information Shared With Others

We may disclose the personal information (not your personal health information) we receive, as described above, to the following types of third parties:

- Other third parties as permitted or required by law, such as for compliance with a subpoena, fraud prevention, or inquiries from state or federal regulatory agencies.
- Financial service companies with whom we have agreements, such as: insurance companies, insurance brokers or agents, administrators, and service providers.

We maintain written contracts with third parties to help ensure that the personal information we share about our customers is used for a legitimate business purpose.

Access and Amendment of Your Records

You have the right to access and amend your records. You may exercise this right by requesting to us in writing to access and/or amend your records. Please send such requests to:

ChoiceBuilder®
ATTN: Privacy Office
721 South Parker, Suite 300
Orange, CA 92868

Changes to Our Notice of Privacy Policy and Insurance Information Practices

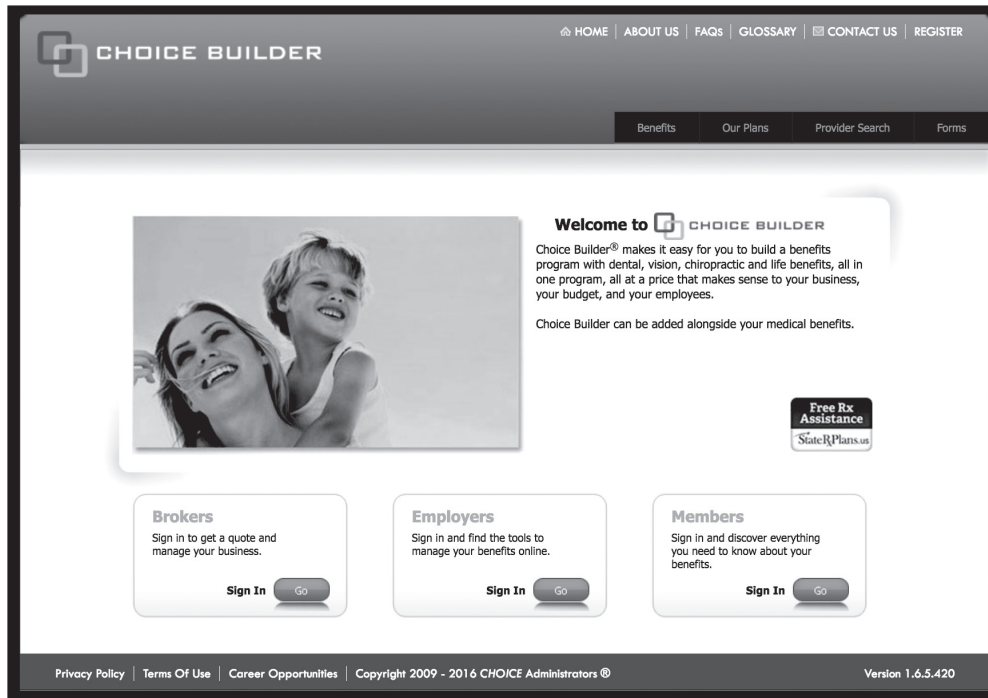
We reserve the right to change our privacy policies and insurance information practices. If we make any changes to our policies or practices, we will provide you with a copy of a revised notice as required by applicable law.

Our Commitment

ChoiceBuilder values you as a customer, and we are committed to bringing you products and services that help you to feel healthier and more secure. Our goal is to always use your information in a responsible business manner. If there are state law requirements that prohibit sharing your information without your written permission, ChoiceBuilder will comply with those requirements.

**We maintain physical, electronic,
and process safeguards that restrict unauthorized access
to your personal health information.**

Find what you need fast at www.choicebuilder.com



Download forms, search for providers,
and review benefit information **24/7**.

Complete up-to-date information is just
a click away.

Please be advised that some forms and written communications may be available in other languages as well as interpretation services in 150 different languages – please contact ChoiceBuilder® at (866) 412-9279 for assistance.

TIPS FOR A SUCCESSFUL ENROLLMENT

Use the valuable tips below to help your employees experience the most problem free coverage administration. Avoid these commonly overlooked items, which can cause delays or coverage issues:

- Remember to **sign** all Forms
- Remember to add all dependents to coverage (if desired)
- Complete all required information on forms, such as date of full-time employment, date of birth, etc.
- Remember to select a carrier
- Remember to select a benefit
- Be sure to elect dependent coverage (if desired)
- Complete waiver for dependents (if necessary)
- Ensure that all check boxes are clearly marked on forms
- Be sure to use the proper forms

COVERAGE ELIGIBILITY REQUIREMENTS

Four conditions must be met for an employee to gain and keep coverage. Every employee must:

- 1** Meet the employer's established waiting period
- 2** Be actively working the number of hours required by the employer to be considered eligible
- 3** Be a permanent employee who is not eligible for coverage offered by or through a labor union
- 4** Be paid on a salary/hourly basis (not 1099 or commissioned)

ADMINISTRATION BASICS - NEW HIRES

Eligibility

New hire must meet eligibility requirements:

- Employee must meet the waiting period established by the employer.
- Employee must be actively working the number of hours required by the employer to be considered eligible.
- Employee must be a permanent non-union employee.
- Employee must be paid on a salary/hourly basis (not 1099 or commissioned).
- For an immediate quote, visit our website at **www.choicebuilder.com**. Login, select “manage my account” and “new hire quote”.
- Employees who wish to obtain coverage through ChoiceBuilder must complete an **Enrollment Form**.

Employers should provide the group number in the top section of the front page of the Enrollment Form.

FYI:

When employer sponsored life insurance is offered, ALL eligible employees must enroll in life insurance coverage even if they do not wish to enroll in the dental coverage through ChoiceBuilder®. An employee Enrollment Form must be submitted for each employee.

Submit the Following:

Employer should fax, e-mail or mail the original to ChoiceBuilder as soon as possible, but no more than 60 days prior or 30 days after the employee’s effective date of coverage (please retain a copy of the completed forms for your records).

How to Enroll

To obtain an enrollment quote:

- Complete the **New Hire Enrollment Quote Request** form and fax it to (866) 412-9261 or e-mail to customerservice@choicebuilder.com to obtain a customized enrollment quote for new employees.

Fax: (866) 412-9280

E-mail: memberprocessing@choicebuilder.com

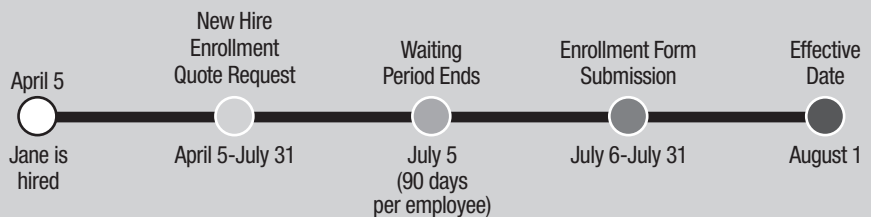
Mail: ChoiceBuilder

721 South Parker, Suite 200
Orange, CA 92868

- New employees and their dependents will be eligible for coverage on the first day of the month following the completion of the group’s waiting period.

Example:

Jane was hired on April 5th; the group has a 90 day waiting period. Jane will complete the waiting period and be considered eligible for coverage August 1st. The group may request a New Hire Enrollment Quote Request for Jane



at any time. Upon receipt of the Enrollment Quote, Jane must complete the Enrollment Form using the customized quote. The form should be faxed to (866) 412-9280 or e-mailed to memberprocessing@choicebuilder.com no later than July 31st. Jane’s benefits will be effective August 1st (see illustration above).

Important

Waiving Coverage: It is **extremely important** that employees wishing to waive coverage **complete the ChoiceBuilder Dental and/or Vision Waiver** portion of the Enrollment Form advising them of their legal rights. Pursuant to the Knox Keene Act, Section 1357(d)(4)(A), employees wishing to waive coverage **must execute a written waiver** and **Employers are required to maintain that waiver on file**. Waivers may also be submitted to ChoiceBuilder via fax at (866) 412-9280 for retention in our files.

Should the employee seek coverage after their eligibility period and the employer failed to obtain the waiver, the **Employer may be held liable** for the cost of healthcare services the Employee later incurs.

Life Insurance: When employers offer life insurance, **ALL employees considered eligible for dental coverage must enroll in life insurance coverage even if they do not wish to enroll in dental coverage through ChoiceBuilder**. Please have each employee complete the Employee Enrollment Form for life insurance coverage.

Return from Military Leave

If employee was previously covered under the benefit prior to military service and is now returning from that service he/she can re-enroll without completing the waiting period.

Effective Date

Coverage will be effective first of the month following receipt of the completed Enrollment Form.

Submit the Following:

An Enrollment Form must be received within 60 days of the employee's return to work, accompanied by a written request to waive the waiting period.

Voluntary Termination – Employees

An employee may choose to voluntarily withdraw coverage for themselves and/or their dependents by completing and submitting a Change Request Form to ChoiceBuilder®

Effective Date

The termination request will become effective the last day of the month following receipt of notification by ChoiceBuilder. **This type of request will not be processed retroactively.** The employee will be ineligible for re-enrollment until the renewal period.

California Only – Cal-Cobra law requires you, as the employer, to notify ChoiceBuilder of all employee terminations within 30 days from their last day employed. Coverage will cease at the end of the month following the last day employed, for the employee and his/her dependent(s). Should termination of hours or loss of life occur on the last day of the month, the coverage will terminate at the end of the same day.

Submit the Following:

The request must be received within 30 days from the date the Change Request form was signed. You may notify ChoiceBuilder of an employee termination by using one of the following methods:

- Fax a completed Change Request Form to ChoiceBuilder Customer Service Center at (866) 412-9280
- E-mail a completed Change Request Form to memberprocessing@choicebuilder.com

Involuntary Termination—Employees

All employees who become ineligible for group benefits must be terminated from the program.

Effective Date

Coverage will be cancelled at the end of the month following the last day employed, eligible for coverage, or date of death.

Submit the Following:

You may notify ChoiceBuilder of an employee termination by using one of the following methods:

- Fax a completed Employee Termination Notification Form* to ChoiceBuilder Customer Service Center at (866) 412-9280
- E-mail a completed Employee Termination Notification Form* to memberprocessing@choicebuilder.com

Please review the invoice received immediately following your request to terminate an employee to ensure that you are no longer being billed for that employee. If employee and premium appear, please contact the ChoiceBuilder Customer Service Center at (866) 412-9279 for immediate assistance.

Please DO NOT send notification of an employee termination until after the last day of employment. Termination requests made prior to the last day employed cannot be processed. Also please DO NOT self-adjust your billing statement. PAYMENT, as billed, must be made in full. ChoiceBuilder will credit premium on the billing statement that follows the processing of the termination.

* Form must be signed and dated by an authorized group contact on file within ChoiceBuilder in order for the termination request to be processed.

Late Enrollees

Eligibility

ChoiceBuilder® will allow late enrollment (previously waived coverage) for employees/dependents due to the following reasons:

- Loss of current coverage due to circumstances beyond the employees/dependents control.
- Employer contributions towards other coverage have been exhausted or dramatically reduced.
- Employee previously waived coverage, but then experienced a change in family status. (i.e. employee got married, entered into a domestic partnership, gave birth or adopted a child).

Effective Date

The employee must have **already** satisfied the requirements of the group's **waiting period** in order to be eligible to enroll due to a qualifying/triggering event.

Coverage will be effective first of the month following the date of receipt of all required forms and documentation to ChoiceBuilder.

Coverage will be effective as follows:

Change in family status:

Marriage/Domestic Partnership/Stepchild* — If all required documentation is received before the 16th day of the month of marriage/establishment of domestic partnership, premiums are charged for the full month and coverage begins on the date of marriage/establishment of domestic partnership. If all required documentation is received on or after the 16th day of the month of marriage/establishment of domestic partnership, coverage begins on the 1st of the month following the date of receipt.

Birth, Adoption, Legal Guardianship, Eligible Dependent Child* — If birth/date of placement occurred before the 16th of the month, coverage begins on 1st day of the month of the date of their birth/placement. If birth/date of placement occurred on the 16th or after, child is automatically covered at no cost under Subscriber between date of birth/placement and the 1st of the following month. Coverage for the dependent begins on the 1st of the month following the birth/date of placement.

Submit the Following:

- An Enrollment Form (for employee and dependent)
- A Change Request Form (for dependents only)
- Proof of loss of other coverage (i.e. HIPAA Certificate).
- Proof of change in family status (i.e. marriage certificate, Declaration of Domestic Partnership**, birth certificate, legal adoption documentation)

Rehires

A former employee who has been rehired may be eligible for re-enrollment without completing the waiting period if he/she meets the following criteria:

- Employee previously completed your companies waiting period.
- Employee was previously enrolled with ChoiceBuilder.
- Employee has been rehired within six months of the loss of ChoiceBuilder coverage with your company.
- The employee must re-enroll in the same benefit(s).

Effective Date

First of the month following rehire.

NOTE: If the employee does not meet the criteria indicated above, the coverage will become effective first of the month following completion of your company's waiting period.

Submit the Following:

An Enrollment Form must be received within 60 days of the employee's return to work, accompanied by a written request to waive the waiting period.

* Although coverage may become effective at any time of the month based on date of birth/adoption or receipt of required documentation full premium for increased coverage will be assessed.

** If domestic partners have filed a Declaration of Domestic Partnership and have not yet received a copy from the state, a signed Affidavit of Domestic Partnership will be accepted. Domestic Partners agree to provide a copy of the Declaration of Domestic Partnership within 60 days of issuance.

FAMILY COVERAGE

Eligible Dependents	Effective dates	Submit the following
<p>Spouse/Stepchild –</p> <ul style="list-style-type: none"> ■ New spouse must be legally married to the employee and if requested, submit a copy of marriage certificate ■ New stepchild must also meet the dependent children requirements listed in the following sections 	Same as employee	Dependent section completed on the Enrollment Form.
<p>Domestic Partner/Child of Domestic Partner –</p> <p>To qualify, Employee and Domestic Partner must:</p> <ul style="list-style-type: none"> ■ Both have filed a duly executed Declaration of Domestic Partnership with the Secretary of State and will provide copies to ChoiceBuilder® within 60 days of its issue ■ Agree to notify ChoiceBuilder immediately upon termination of domestic partnership. ■ Children of Domestic Partner must also meet the dependent children requirements listed in the following section. 	Same as employee	<p>Dependent section completed on the Enrollment Form.</p> <p>California only: If domestic partners have filed a Declaration of Domestic Partnership and have not yet received a copy from the state, a signed Affidavit of Domestic Partnership will be accepted. Domestic Partners agree to provide a copy of the Declaration of Domestic Partnership within 60 days of issuance.</p>
<p>Birth/Adoption/Legal Guardianship/Eligible Dependent Child –</p> <p>To qualify, child must be:</p> <ul style="list-style-type: none"> ■ Born to, a step-child or legal ward of, or adopted by the eligible employee, employee spouse or domestic partner ■ Financially dependent upon the employee per IRS guidelines ■ Unmarried or not involved in a domestic partnership ■ Age eligible: California – Up to the age of 26, unless child is disabled (disability occurring prior to the age of eligibility). 	Same as employee	Dependent section completed on the Enrollment Form.

Dependents must meet all requirements listed in order to be eligible for enrollment

FAMILY COVERAGE

Eligible Dependents	Effective dates	Submit the following
<p>Disabled Dependent –</p> <p>Dependents who are incapable of self-support because of continuous mental or physical disability that existed before the age limit are eligible for coverage until the incapacity ends.</p>	Same as employee	<p>Dependent section completed on the Enrollment Form.</p> <p>Disabled Dependent Certification form will be required when the child reaches the age limit for coverage. Verification of disability will be required annually at the child's birthday.</p>

Dependents must meet all requirements listed in order to be eligible for enrollment

Terminations - Dependent

A covered employee's dependent may lose coverage even if the employee's coverage continues (i.e. when a dependent child reaches the maximum age for coverage).

The following situation is a **Dependent Qualifying/Triggering event**:

- A divorce, annulment, dissolution of marriage, termination of domestic partnership or legal separation.
- A dependent child ceases to qualify as a dependent
- Death of an employee
- Medicare entitlement of employee

Effective Date

Termination of coverage will take place at the end of the month following the event provided the group notifies ChoiceBuilder® of the qualifying/triggering event within the timeframe allowed by law (60 days from qualifying/triggering event.)

If divorce or termination of domestic partnership is not final and member cancels coverage, dependent cannot be reinstated until group's next renewal.

Submit the Following:

You may notify ChoiceBuilder of a dependent termination by using one of the following methods:

- Fax a completed Change Request Form to ChoiceBuilder Customer Service Center at (866) 412-9280
- E-mail a completed Change Request Form to memberprocessing@choicebuilder.com

Terminating Over-age Dependents

Coverage for dependent children automatically terminates when they reach a specified age. Age limits are as follows:

California – Up to the age of 26 unless child is disabled (disability occurring prior to the age of eligibility).

Effective Date

Coverage ends at the end of the month during which the dependent reaches eligible age.

A notification letter will be sent to the over-age dependent approximately 90 days before their coverage terminates. The employer is not involved in this process but should be aware of its occurrence.

ChoiceBuilder will advise the dependent to contact the Group Plan Administrator regarding their eligibility for benefits under COBRA continuation.

ENROLLMENT CHANGES

Making enrollment changes during the coverage year is limited to the following qualifying/triggering events:

- Marriage/Domestic Partnership
- Birth/Adoption/Legal Guardianship/Eligible Dependent Child
- Court Order
- Moving to an area where current benefits are not offered
- Involuntary loss of minimum essential coverage (including, but not limited to, the following examples: loss of other employer coverage, loss of COBRA due to exhaustion, etc.)
- Return from active duty from Military or California National Guard
- Release from Incarceration
- Enrollment or plan change once a month due to Native American status
- Other exceptional circumstances (subject to ChoiceBuilder® approval)

The employee must complete and submit the necessary items (see next page) to ChoiceBuilder ***within 60 days of the qualifying/triggering event.***

CHANGE IN FAMILY STATUS

Employees who acquire a new dependent are able to change their coverage outside of the renewal period. Even employees who previously waived coverage during renewal become eligible to enroll themselves and their new dependent(s) when a qualifying/triggering change in family status occurs. Newly acquired dependents must be added within **60 days of the qualifying/triggering event**.

Although coverage may become effective at any time of the month based on date of birth/adoption or receipt of required documentation, full premium for increased coverage may be assessed as described herein.

New Dependent:	Submit the following
Spouse	<ul style="list-style-type: none"> ■ Change Request Form ■ Proof of Marriage (copy of stamped marriage certificate) ■ Date of Marriage <p>If all required documentation is received before the 16th day of the month of marriage, premiums are charged for the full month and coverage begins on the date of marriage. If all required documentation is received on or after the 16th day of the month of marriage, coverage begins on the 1st of the month <u>following</u> the date of receipt.</p>
Registered Domestic Partner	<ul style="list-style-type: none"> ■ Change Request Form ■ Declaration of Domestic Partnership* ■ Date of Issuance of Domestic Partnership <p>If all required documentation is received before the 16th day of the month in which the domestic partnership was established, premiums are charged for the full month and coverage begins on the date of the event. If all required documentation is received on or after the 16th day of the month in which the domestic partnership was established, coverage begins on the 1st of the month following the date of receipt.</p> <p>*California only: If domestic partners have filed a Declaration of Domestic Partnership and have not yet received a copy from the state, a signed Affidavit of Domestic Partnership will be accepted. Domestic Partners agree to provide a copy of the Declaration of Domestic Partnership within 60 days of issuance</p>
Newborn Child	<ul style="list-style-type: none"> ■ Change Request Form ■ Proof of Birth (copy of stamped birth announcement, birth certificate or hospital card) <p>If birth occurred before the 16th of the month, coverage begins on the 1st day of the month of the date of their birth. If birth occurred on the 16th or after, child is automatically covered at no cost under subscriber between date of birth and the 1st of the <u>following</u> month. Coverage for the dependent begins on the 1st of the month following the date of birth.</p>
Adopted Child/ Non-Temporary Legal Ward/Eligible Dependent Child	<ul style="list-style-type: none"> ■ Change Request Form ■ Proof of placement/Acceptance (legal documentation) <p>If the date of placement/acceptance occurred before the 16th of the month, coverage begins on the 1st day of the month of their date of placement/acceptance month. If date of placement/acceptance occurred on the 16th or after, the child is automatically covered at no cost under subscriber between date of placement/acceptance and the 1st of the <u>following</u> month. Coverage for the dependent begins on the 1st of the month following the date of birth.</p>
Stepchild	<ul style="list-style-type: none"> ■ Change Request Form ■ Proof of Marriage, or establishment of a Domestic Partnership to stepchild's parent/legal guardian (copy of marriage certificate or Declaration of Domestic Partnership*) <p>If all required documentation is received before the 16th day of the month of marriage/establishment of domestic partnership, premiums are charged for the full month and coverage begins on the date of marriage/establishment of domestic partnership. If all required documentation is received on or after the 16th day of the month of marriage/establishment of domestic partnership, coverage begins on the 1st of the month following the date of receipt.</p> <p>*California only: If domestic partners have filed a Declaration of Domestic Partnership and have not yet received a copy from the state, a signed Affidavit of Domestic Partnership will be accepted. Domestic Partners agree to provide a copy of the Declaration of Domestic Partnership within 60 days of issuance.</p>

CHANGE IN GROUP POLICY

Group Change Guidelines

The following charts identify various changes you may make to your group coverage policy (when permitted) and the change requirements. Visit www.choicebuilder.com to download required forms.

E-mail or fax completed forms to:

E-mail: groupprocessing@choicebuilder.com

Fax: (866) 412-9280

Change Type	When Allowed	Deadline to Submit	Requirements To Process
Address/Phone/Fax	At any time	None	<ul style="list-style-type: none"> ■ Employer's written notification providing updated information and referencing group number, with signature of authorized contact. Street address cannot be a PO Box. OR ■ Employer Change Request Form
Chiropractic/ Acupuncture* (Change) California Only	Renewal only	Within 30 days of anniversary date	<ul style="list-style-type: none"> ■ Employer Change Request Form
Chiropractic/ Acupuncture Plan* (Add) California Only	At any time once a year and at Renewal	Within 30 days of requested effective date	<ul style="list-style-type: none"> ■ Employer Change Request Form
Company Name	At any time	None	<ul style="list-style-type: none"> ■ E-mail or letterhead from authorized group contact providing group number, new company name and referencing old company name OR ■ Employer Change Request Form
Contact Person	At any time	None	<ul style="list-style-type: none"> ■ Employer written request providing contact name, job title, phone number and e-mail address and referencing group number and signature of authorized contact OR ■ Employer Change Request Form
Contribution*	Renewal only	Within 30 days of anniversary date	<ul style="list-style-type: none"> ■ Employer Change Request Form ■ Employer Contribution must be a minimum of 50% of the lowest cost plan for each employee. ■ If raising contribution to 100%, 100% participation is required outside of those waiving for other group coverage.
Dental-Employer Sponsored* (Voluntary moving to Employer sponsored)	Renewal only	Within 30 days of anniversary date, but benefits cannot be accessed until the group receives written confirmation of approval from ChoiceBuilder®.	<ul style="list-style-type: none"> ■ Employer Change Request Form
Dental-Voluntary* (Employer sponsored moving to voluntary)	Renewal only	Within 30 days of anniversary date, but benefits cannot be accessed until group receives written confirmation of approval from ChoiceBuilder.	<ul style="list-style-type: none"> ■ Employer Change Request Form (Must enroll five or more employees. Group size must be 10 or more eligible).

*1st of the month effective date only.

CHANGE IN GROUP POLICY

E-mail or fax completed forms to:

E-mail: groupprocessing@choicebuilder.com

Fax: (866) 412-9280

Change Type	When Allowed	Deadline to Submit	Requirements To Process
Federal Tax ID	At any time	None	<ul style="list-style-type: none"> E-mail or letterhead from authorized group contact providing group number, new tax ID number and referencing old tax ID number OR Employer Change Request Form
Life Insurance*	At any time once a year and at Renewal	25th of the month prior to requested effective date. If Renewal, within 30 days of anniversary date, but coverage not active until the group receives written confirmation of approval from ChoiceBuilder®.	<ul style="list-style-type: none"> Employer Change Request Form Employee Enrollment Forms for all eligible employees Reconciled Quarterly/Annual Wage Report (if requested) Completed statement of health for all eligible employees if requesting amount above guaranteed issue (subject to medical underwriting)
Section 125 (Premium Only Plan)	At any time	None	<ul style="list-style-type: none"> Employer Change Request Form (requested effective date must be included) \$100 (fee amount will be billed on next invoice)
Termination of Coverage*	At any time	30 days prior to requested effective date (termination will be effective no earlier than the 1st day of the month following request)	<ul style="list-style-type: none"> Written request on employer letterhead to include last day of coverage, lines of coverage to terminate and signature of authorized contact.
Vision-Employer Sponsored	At any time	None	<ul style="list-style-type: none"> Employer Change Request Form
Vision-Employer Sponsored* (Voluntary moving to Employer sponsored)	Renewal only	25th of the month prior to requested effective date. Within 30 days of anniversary date, but benefits cannot be accessed until the group receives written confirmation of approval from ChoiceBuilder.	<ul style="list-style-type: none"> Employer Change Request Form Reconciled Quarterly/Annual Wage Report (if requested) Employee Enrollment Forms for enrolling employees
Vision-Voluntary* (Employer sponsored moving to voluntary)	Renewal only	Within 30 days of anniversary date, but benefits cannot be accessed until the group receives written confirmation of approval from ChoiceBuilder.	<ul style="list-style-type: none"> Employer Change Request Form Employee Enrollment Forms
Waiting Period*	Renewal only	Within 30 days of anniversary date	<ul style="list-style-type: none"> Employer Change Request Form
Working Hours required for coverage Eligibility*	Renewal only	Within 30 days of anniversary date	<ul style="list-style-type: none"> Employer Change Request Form California 20+ or 30+ hours per week

*1st of the month effective date only.

ABOUT COBRA

COBRA (Federal) laws allow for continuation of group health benefits to individuals who lose coverage as a result of certain “qualifying/triggering events” (e.g. termination of employment, death of employee, reduction of work hours, divorce, legal separation, Medicare entitlement and loss of dependent child status).

The law defines “group health benefits” as medical, dental, chiropractic, vision, prescription drug programs and any self-insured arrangements that provide similar benefit coverage.

The individuals described above are allowed to retain the types of coverage they had *prior* to the event taking place and must be given the same rights as active eligible employees with respect to Renewal periods, changing plans or benefits and adding or terminating dependents.

Employers Subject to COBRA (Federal)

Generally, a company is subject to the provisions of Federal COBRA if it offers a group health plan and has 20 or more employees on at least 50 percent of its typical business days **during the preceding calendar year**.

Both full-time and part-time employees are considered as employees for purposes of this rule regardless of whether or not they are eligible for coverage under the employer’s group health plan. However, under the 1999 final IRS regulations, an employer is only required to count common-law employees when determining whether they meet the 20-employee requirement. **Self-employed individuals, agents, independent contractors and corporate directors are not treated as employees for COBRA purposes and need not be counted.** Employers must aggregate employees from all divisions, subsidiaries and any other entities that make up a controlled group of corporations. In general, a controlled group of corporations may consist of a parent-subsidiary controlled group, brother-sister controlled group, or a combined group as defined under the IRS Code Section 414b.

In addition, under the 1999 final IRS rules, a part-time employee may be counted as a fraction of a full-time employee, with the fraction equal to the number of hours an employee must work in order to be considered a full-time employee, not to exceed 40 hours per week. Under these same rules, employers are also permitted to use daily or pay period methods of counting.

Employer’s Responsibilities for COBRA (Federal)

It is the sole responsibility of the employer to notify its employees or members of the availability, terms, and conditions of COBRA continuation and provide them with the necessary information/forms for COBRA election. Such responsibility will be satisfied if the former member is notified within 14 days after the last day of coverage under the Group Plan.

Upon proper notification from the group, in the case of terminating employees and/or dependents or loss of dependent child status, a letter from ChoiceBuilder® will be sent to the individual informing them to contact the Group Plan Administrator to verify if they are eligible for COBRA continuation.

COBRA enrollees will only be allowed to continue on their current coverage. Enrollees who expect to move to an area where their current carrier is not available should contact the ChoiceBuilder Customer Service Center at (866) 412-9279.

COBRA Basics:

- COBRA is designed to extend health benefits to people who lose their coverage due to a COBRA Qualifying/Triggering Event
- Generally, a company is subject to the provisions of Federal COBRA if it offers a group health plan and has 20 or more employees on 50% of its “typical business days” during the preceding calendar year
- It is the sole responsibility of the employer to notify its employees or members of the availability, terms, and conditions of COBRA continuation

(Continued)

ABOUT COBRA

The employer must send a completed COBRA Enrollment Form to ChoiceBuilder® for all qualified beneficiaries who elect COBRA continuation coverage. The completed COBRA Enrollment Form must be returned to the employer to forward to ChoiceBuilder within the regulated time frames.

The employer must ensure that the information they receive from ChoiceBuilder, intended for COBRA participants, (e.g. renewal forms) is forwarded to the COBRA participants in a timely manner and with complete instructions.

The employer must continue to comply with all COBRA requirements including proper notification of all active plan participants, notification of all qualified beneficiaries following qualifying/triggering event, etc.

All COBRA participants will be billed with the group's invoice. The COBRA participants will be in a separate section following the active employees. **The employer is responsible for paying all COBRA premiums to ChoiceBuilder with the group's monthly invoice.**

In the event of a cancellation of a COBRA participant, a retroactive credit will be reflected on the group's next invoice, as long as ChoiceBuilder is notified within the regulated time frames.

If the group's coverage through ChoiceBuilder is terminated, all members, including those who have elected COBRA/Cal-COBRA continuation coverage will be terminated. The employer's obligation to the COBRA/Cal-COBRA qualified beneficiaries is to provide them with the same coverage currently provided to all active employees. **An employer's obligation to comply with COBRA is the same regardless of the number of employees it has during the current year.**

Domestic Partner Eligibility under COBRA (Federal)

Domestic Partners **do not meet** the definition of a Qualified Beneficiary as defined under COBRA law. Therefore, domestic partners **are not eligible** for the same COBRA rights as a Qualified Beneficiary.

Domestic partners **are only eligible for COBRA Continuation of Coverage if they remain dependents under the employee's election.** They do not have separate election rights under COBRA law because they are not Qualified Beneficiaries. If an employee experiences a COBRA qualifying/triggering event, the domestic partner is only eligible to continue his/her health insurance benefits if the employee also continues his/her benefits under COBRA. He/She **cannot make an election** separate from the employee. Dependent qualifying/triggering events **do not apply** to domestic partners.

ABOUT CAL-COBRA

Employers Subject to Cal-COBRA (State)

Generally, a company is subject to the provisions of Cal-COBRA if it offers a group health plan and only has 2 to 19 eligible employees on at least 50 percent of its typical business days **during the preceding calendar year**.

All full-time employees, part-time employees and self-employed persons (e.g. partners in a law firm) are considered employees for the purposes of this rule regardless of whether or not they are eligible for coverage under the employer's group health plan. Leased employees also count as employees. However, all agents or independent contractors (and their employees, agents and independent contractors), as well as corporate directors, are treated as employees only if they are eligible for coverage under the group health plan.

Employers must aggregate employees from all divisions, subsidiaries and any other entities that make up a controlled group of corporations. In general, a controlled group of corporations may consist of a parent-subsidiary controlled group, brother-sister controlled group, or a combined group as defined by IRS Code Section 414b.

Unlike COBRA, it is the responsibility of the Health Plans to send out notifications to former employees/dependents of their rights to continue coverage under Cal-COBRA. The Health Plans in the ChoiceBuilder® program have contracted with ChoiceBuilder to provide those services.

Upon notification of a qualifying/triggering event, ChoiceBuilder will automatically notify those members of their Cal-COBRA rights by sending an election notice to the qualified beneficiaries' last known address via first class mail and give them the opportunity to elect to continue their coverage through Cal-COBRA.

Domestic Partner Eligibility under Cal-COBRA

- Under a new law entitled the Insurance Equality Act, effective January 1, 2005, any coverage offered to the spouse of an employee must also be offered to a registered domestic partner.
- The Domestic Partner is eligible for Cal-COBRA Continuation of Coverage and has the same election rights as a spouse.

Employee/Dependent Responsibilities

If a covered dependent loses his/her eligibility due to divorce, legal separation, death of employee or loss of dependent child eligibility, the employee or dependent must notify ChoiceBuilder of the event (**within 60 days**) by completing and returning a **COBRA Dependent Qualifying Event Notification** form to ChoiceBuilder. Coverage will be terminated at the end of the month following the qualifying/triggering ChoiceBuilder event date. The dependent must submit a COBRA Enrollment Form to elect COBRA.

Employer Responsibilities for Cal-COBRA

- The Employer must notify ChoiceBuilder of employee address changes within 30 days of the employee providing such information to the Employer.
- The Employer must notify ChoiceBuilder of employee terminations, employee deaths, and reductions in hours that cause a loss of coverage within 30 days of the event taking place by submitting an Employee Termination Notification Form.

Cal-COBRA Basics:

- Generally, a company is subject to the provisions of Cal-COBRA if it offers a group health plan and only has 1 to 19 eligible employees on at least 50% of its "typical business days" during the preceding calendar year
- All full-time, part-time and self-employed persons (e.g. partners in a law firm) are considered employees
- Unlike COBRA, it is the responsibility of the Health Plans to send out notifications to former members of their rights to continue coverage under Cal-COBRA

Length of Eligibility for Continuation of Coverage

In September 2002, California passed a state law extending the maximum amount of time for continuation coverage under Cal-COBRA regulations.

Under Cal-COBRA regulations, anyone with a Qualifying/Triggering Event resulting in their continuation coverage period beginning on January 1, 2003 or thereafter will be eligible for 36 months of coverage. COBRA coverage beginning prior to this date is not eligible for this extension.

If the group's coverage through ChoiceBuilder® is terminated, all members, including those who have elected COBRA/Cal-COBRA continuation coverage will be terminated. The employer's obligation to the COBRA/Cal-COBRA qualified beneficiaries is to provide them with the same coverage currently provided to active employees.

A company's obligation to comply with COBRA is the same regardless of the number of employees it has during the current year.

Anyone with a Qualifying/Triggering Event resulting in their continuation coverage period beginning on January 1, 2003 may qualify for up to 36 months of coverage.

Health Insurance Portability and Accountability Act of 1996 (HIPAA)

In October of 1996, the Health Insurance Portability and Accountability Act of 1996 (HIPAA) was signed into law. In April of 1997, Federal regulations were published to assist Plan holders (Employers) to comply with this law. The major components of the law apply to medically insured members and are as follows:

- A Certificate of Coverage must be provided to all insured employees and their dependents when their coverage ends. ChoiceBuilder will automatically send this certificate upon termination and additional copies upon request.

Employers are responsible for notifying ChoiceBuilder of an employee's new address information **within 30 days** of an address change. Because of the obligations imposed by Federal and State laws, ChoiceBuilder cannot be responsible for misdirected HIPAA/COBRA/state COBRA information as a result of the failure to provide correct residence address information for all insured employees.

NOTE: Life Insurance coverage may allow for disability extensions and policy conversion based on policy guidelines. The Employer is responsible for initial notification of these rights. For more information, please see a copy of the master policy at www.choicebuilder.com under "Forms, Master Policy" or contact our Customer Service Center at (866) 412-9279.

IMPORTANT—YOUR PREMIUM STATEMENT

Your Premium Statement

Each month you will receive a Premium Statement including your policy information and total balance due, Invoice Pages breaking down employee coverage information and, if applicable, Invoice Adjustment Pages reflecting any changes, credits or adjustments made to your account.

Do not self adjust or submit changes on your statement. Changes can only be processed using the correct forms. Please use the forms provided in your administrative kit or log on to our website at: www.choicebuilder.com. Forms can be downloaded or printed from the site and may be faxed to (866) 412-9280 or e-mailed to groupprocessing@choicebuilder.com.

You should always return the remittance portion of the premium statement with your payment and indicate the group number on your check. Please do not staple/tape your check to the remittance portion.

Send payments to ChoiceBuilder® at:

Attn: Accounts Receivable
ChoiceBuilder
P O Box 7405
Orange, CA 92863-7405

Overnight:

Attn: Accounts Receivable
ChoiceBuilder
721 South Parker, Suite # 200
Orange, CA 92868

*Payment is accepted via check, money order or cashiers check.

Policy Information

Reflects your current optional benefits, COBRA status, domestic partner eligibility, renewal date, minimum hours for eligibility and new hire waiting period. The information provided reflects your account information as it exists on record as of the statement date.

Total Balance Due

Is always the outstanding balance as of the statement date. Payments or adjustments made after that date will be reflected on your next statement.

Invoice Pages

Will list all employees currently enrolled in the program, including their ages and ZIP codes, their coverage, a breakdown of their premiums and employer contributions.

Adjustment Page

Will reflect employee benefit changes made since the last statement. **Please pay special attention to this area to verify adjustments.**

What the Employee Change Codes Mean on Your Statement

Listed below are the employee change codes that may appear on your statements.

CHOICEBUILDER Change Code Matrix

Code	Code Description	Code	Code Description	Code	Code Description
AC	Add COBRA	CP	Change Plan	VC	Life Volume Change
AD	Add Dependent	CO	Correction	XC	Cancel COBRA
AE	Add Employee	NP	Non Payment	XE	Cancel Employee
CA	Change Age	RD	Reinstate Dependent	XD	Cancel Dependent
CE	Change Enroll Date	RE	Reinstate Employee	XG	Cancel Group
CI	Change Information	RG	Reinstate Group		

BILLING

Billing Cycle

Your premium statements are produced and mailed by ChoiceBuilder® by the 1st of each month for the following month's coverage. Here is an example:

Premium payments need to be received by the due date indicated on each statement and should be paid as billed.

Adjustments processed after the statement date will reflect on your next statement.

All payments are applied to your oldest open balance first, with any remaining portion being applied to subsequent balances.



Credits

If there is a credit on your account due to an overpayment or adjustment, the credit will reflect on the invoice following the date of the credit. The amount due for the invoice following the credit will be reduced by the credit amount.

Administration Fee

The administration fee is based on the total number of employees enrolled in any coverage through ChoiceBuilder at the time of invoicing and is therefore subject to change on a monthly basis. Administration fees are as follows:

2 - 8	employees	\$25
9 - 20	employees	\$30
21 - 199	employees	\$35
200+	employees	\$50

(In addition to the monthly administration fee, ChoiceBuilder is remunerated by the carrier plan directly from the premium collected)

Returned Checks

Returned checks must be replaced immediately with a cashier's check or money order - Company checks will not be accepted.

There is a \$25 fee for all returned checks. If there are 3 or more returned checks within a 12-month period, payment with certified funds will be required for one year.

Group Cancellations*

Should premium payment(s) not be received by the due date, a "Notice of Start of Grace Period" shall be sent to the group providing a 30-day grace period that begins the day "Notice of Start of Grace Period" is dated and lasts at least 30 days. This notice will also notify the group that if payment is not received by the end of the grace period, the group will be terminated for non-payment effective the day after the last day of the grace period**, 12:00 midnight (Pacific Time). In such a case, a "Notice of End of Coverage" will be mailed.

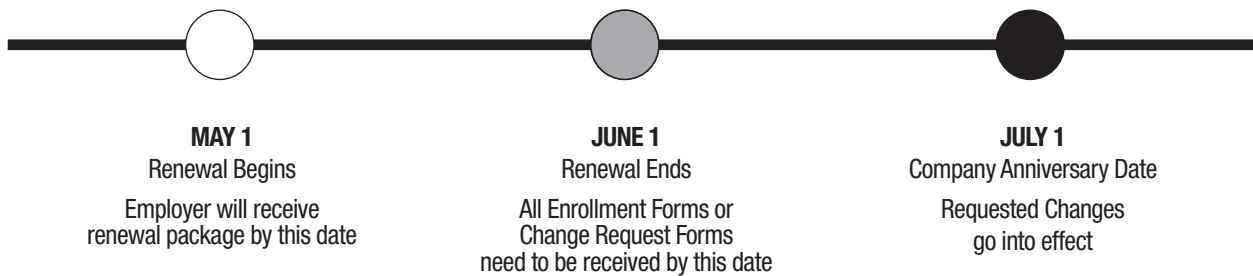
**Since the month of February consists of only 28/29 days, groups that do not pay February's premium by the end of the 30-day grace period will terminate on the last day of March.

The group shall be liable for the payment of all premiums accrued through the last day of coverage.

*Voluntary cancellations of coverage require a minimum of 30 days advance notice. Requests should be made in writing on company letterhead and signed by authorized personnel.

ANNUAL RENEWAL TIMELINE

- Approximately 60 days prior to the group anniversary date, ChoiceBuilder® will send the renewal premiums based on your employees' current Carrier/Benefit selections.
- The Annual Renewal takes place two months prior to your anniversary date. For example:



During Renewal, your employees will have the opportunity to change their current Carrier/Benefit selections and add eligible dependents not previously covered on the program. Employees who previously waived are eligible to enroll at this time. Coverage will be made effective the first of the anniversary month.

You may contact your Renewal Specialist for assistance with your group's renewal.

FREQUENTLY ASKED QUESTIONS

General Information

Who is ChoiceBuilder®?

ChoiceBuilder is the administrator that has brought several carrier benefits together in order to offer you a variety of benefit options.

Who is the Group Plan Administrator?

This is the employee selected by your company to be the main contact to ChoiceBuilder.

Who is/are my healthcare plan(s)?

Your healthcare plan(s) is the participating plans selected under the ChoiceBuilder program to provide coverage. This is the plan(s) your employees selected during initial enrollment.

Can I change my carrier?

Yes, but only during the annual renewal period or when the employee moves to an area where there are no providers under their current carrier. (It is important to notify ChoiceBuilder of an address change immediately).

Can each family member select a different carrier?

All family members must select the same carrier.

What is my benefit design?

This describes the level of coverage or co-payments for office visits and all services available through your selected benefits.

Can each family member select a different benefit design?

No, all family members must select the same benefits.

Can I change my benefit design?

Yes, but only during the annual renewal period or when the employee moves to an area where there are no providers under their current carrier. (It is important to notify ChoiceBuilder of an address change immediately).

When can dependents obtain coverage?

Eligible dependents may be added at the initial enrollment, when acquired, (newborn/adoption/marriage/domestic partnership), or during the annual renewal period. Other than during the annual renewal period, dependents may only be added when first eligible (i.e. newborns and newly acquired dependents must be enrolled within 60 days of the qualifying/triggering event: date of birth, adoption, marriage, domestic partnership).

When is my company's annual renewal?

Your company's annual renewal period is usually two months prior to the anniversary date (your company's initial effective date). All changes made during the annual renewal are effective on the company's anniversary date.

(Continued)

FREQUENTLY ASKED QUESTIONS

Dental HMO (DHMO)

What is a copayment?

The amount the member must pay for dental services (i.e. office visits, x-rays).

Who is my Primary Care Dentist?

A Primary Care Dentist is usually a general dentist. The Primary Care Dentist was selected or assigned at initial enrollment for your employees and dependent(s). The primary care dentist coordinates dental treatment including preventative, prophylactic, and major services.

Can each family member select a different Primary Care Dentist?

Yes, each family member may choose a different Primary Care Dentist.

Can the member change their Primary Care Dentist?

Yes, contact Delta Dental Customer Services Department at (800) 422-4234. Some restrictions may apply.

What if the member receives a bill?

The member should not receive bills for dental care provided or approved by their dental office. If this occurs contact Delta Dental Customer Service Department at (800) 422-4234 for assistance.

Dental PPO

Does the member need to select a primary care dentist?

These plans allow members to go to any dentist they choose. With the PPO plan members receive richer benefits if in-network dentist are utilized.

Can each family member go to a different dental office?

Yes, each family member can go to a different dentist each time they seek services.

What if a member needs to see a dentist while away from home?

The member is not restricted to see any specific dentist, however PPO benefits will be covered at a lower amount when using out of network providers.

What if a member receives a bill?

If a member takes their claim form to the dental office, the dentist will generally complete all of the paperwork and send a bill for the amount to be paid by the member only.

Vision

What is a copayment?

The amount the member must pay for eye exams, lenses, contacts.

How often does the plan pay for an eye exam?

Once every 12 months.

Does the member need to go to a specific Vision care provider?

The member may go to any vision provider, however in-network providers have richer benefits and lower out-of-pocket costs.

(Continued)

For questions, call our Customer Service Center at (866) 412-9279 or
Visit www.choicebuilder.com

FREQUENTLY ASKED QUESTIONS

If you are a new group with ChoiceBuilder®, payment for the second month of coverage is due by the 1st of the coverage month.

Where do I send my payment?

Attn: Accounts Receivable
ChoiceBuilder
P O Box 7405
Orange, CA 92863 - 7405

Overnight:

Attn: Accounts Receivable
ChoiceBuilder
721 South Parker, Suite # 200
Orange, CA 92868

When is my payment due?

Payments are due on the 20th of the month prior to the month of coverage.

What form of payment do you accept?

Payment is accepted via check, money order, or cashier's check.

How long will it take for my payment to be processed?

All payments are posted within 24 hours of receipt. To expedite payment processing always include your group number on your check and the group remittance stub.

How do I ensure that my group account remains current?

Pay the total balance due by the due date in order to ensure that your account remains current.

Why is my total balance due different from my monthly premium?

The invoice reflects what is due at the time the invoice is processed. If a payment is late or the previous payment received did not match the amount invoiced there will be a difference.

What happens if payment is received after the due date?

Premium is due on the 20th day of the month prior to the coverage month. If premium is not received by the 25th day of that month a "Notice of Cancellation for Nonpayment of Premiums and Grace Period" will be sent. If Premium payment is not received by the 14th day of coverage month, you will receive a "Second Notice of Cancellation". If the Premium is not received by the last day of the coverage month, you will be sent a "Notice Confirming Cancellation of Coverage for Nonpayment of Premium" on the first business day of the month following the effective date of the cancellation. You shall be liable for the payment of all premiums accrued through the last day of coverage. An individual Notice of Cancellation will be mailed to each affected Member.

What happens if there are adjustments that will reduce or increase my monthly premium?

You should always pay your invoice as billed. All adjustments, debits and credits, will be reflected on the next printed invoice.

If my group is terminated for non-payment, can our coverage be reinstated?

Eligibility for reinstatement is based on your account history. You must submit your request in writing within 14 days of the termination effective date. If approved you will be required to pay the full balance of your account plus fees. Payment must be in the form of a cashier's check or money order.

For questions, call our Customer Service Center at (866) 412-9279 or
Visit www.choicebuilder.com

A CALIFORNIA
DIFFERENT WAY
To Do Health Care

866.412.9279
choicebuilder.com

