



# Medical Underwriting Guidelines

as of 04/01/2023

Category	Small Group	Large Group
<b>Group Size</b>	1-100 eligible employees, based on FTE ( <i>full-time equivalent</i> ) count. <sup>1</sup>	101+ FTE. <sup>1</sup>
<b>Products Available</b>	<b>Four Products:</b> P5 Platinum HMO, P10 Platinum HMO, Platinum 90 HMO and Gold 80 HMO.	<b>Five Products:</b> Value Plan 5 (VP5), Value Plan 10 (VP10), Value Plan 20 (VP20), Plan MEP and Plan QEP.
<b>MEHP Product Combinations</b>	Yes, as long as at least 5 employees are enrolled. 2 Plans maximum.	2 Plans maximum.
<b>Split Carrier Product Combinations (MEHP alongside a CA Carrier)</b>	May be sold alongside any CA HMO, PPO, and/or cross-border carrier. <sup>2</sup>	May be sold alongside any CA HMO, PPO, and/or cross-border carrier. <sup>2</sup>
<b>MEHP as Sole Carrier (the only group coverage plan)</b>	Allowed.	Allowed.
<b>HRA &amp; Wrap</b>	Allowed.	Allowed.
<b>Riders</b>	Optional Dental Plan and Vision Plan.	Optional Dental Plan and Vision Plan.
<b>Affiliated Companies/ Common Ownership (alongside a CA carrier or as sole carrier)</b>	Groups who have more than one business with different TINs may be eligible to enroll as one group if the following are met: <ul style="list-style-type: none"> <li>• Affiliates are eligible to file a combined income tax return.</li> <li>• Each affiliate shares a min. 50% common ownership.</li> <li>• Companies must be within a related industry.</li> <li>• There are 100 or fewer EEs in the combined groups.</li> <li>• Submit a Common Ownership form</li> <li>• Underwriting reserves the right to a final review and may consider common ownership on a case-by-case scenario.</li> </ul>	Not allowed.
<b>Rate Guarantee</b>	12 months as of effective date.	12 months as of the effective date.
<b>Rates</b>	Age rated per small group premium table. Ages based on the Plan contract effective date. <sup>3</sup>	<b>Composite:</b> 3 or 4 tier composite rates available for VP Plans. <b>Book Rates:</b> 3 or 4 tier book rates available for MEP and QEP Plans.
<b>Employer Contribution (MEHP alongside a CA carrier)</b>	Minimum of 50% of EE rate.	<ul style="list-style-type: none"> <li>• <b>For VP5, VP10, VP20:</b> Minimum 50% of EE rate.</li> <li>• <b>QEP and MEP:</b> can be offered as voluntary.</li> </ul>
<b>Employer Contribution (MEHP as sole carrier)</b>	No minimum employer contribution is required.	<ul style="list-style-type: none"> <li>• <b>For VP5, VP10, VP20:</b> Minimum 50% of EE rate.</li> <li>• <b>QEP and MEP:</b> can be offered as voluntary.</li> </ul>
<b>Participation (MEHP alongside a CA carrier)</b>	MEHP accepts 1 EE for Gold 80/Platinum 90 HMOs. 3 EEs minimum required for P5 and P10 HMOs.	Minimum participation is 1 EE.
<b>Participation (MEHP as sole carrier)</b>	MEHP accepts 1 EE for Gold 80/Platinum 90 HMOs. 3 EEs minimum required for P5 and P10 HMOs.	Minimum participation is 1 EE.
<b>Carve-Outs</b>	Allowed. The carve-out classes must be IRS non-discriminatory and in compliance with ACA. All others must be offered insurance.	Allowed. The carve-out classes must be IRS non-discriminatory and in compliance with ACA. All others must be offered insurance.

# Medical Underwriting Guidelines

Category	Small Group	Large Group
<b>Census or Online Enrollment</b>	A census spreadsheet will be accepted with a min. enrollment of 10 EEs, if all enrollment information for employees/dependents is provided.	A census spreadsheet will be accepted if all enrollment information for employees and dependents is provided.
<b>Divisional Billing</b>	Available.	Available.
<b>Ineligible Groups</b>	None.	None.
<b>Ineligible Employees</b>	Part-Time employees working less than 20 hours. 1099 employees shall be considered on a case-by-case basis.	Part-Time employees working less than 20 hours. 1099 employees shall be considered on a case-by-case basis.
<b>Quoted vs. Enrolled</b>	Not applicable.	If enrollment varies from quoted by +/-5%, then the group may be re-rated.
<b>COBRA/Cal-COBRA</b>	No maximum.	No more than 10% of enrolled MEHP subscribers may be on COBRA.
<b>Employee Only Coverage</b>	Not allowed.	Allowed. Employers must monitor enrollment. If dependents appear on enrollment form, they will be enrolled.
<b>Owner Only Groups</b>	Owner-only and spouse-only groups are not eligible for group coverage.	Owner-only and spouse-only groups are not eligible for group coverage.
<b>Out-of-State Employer/ Employees</b>	Employees not allowed. Employers allowed if the subscribers are within the coverage area.	Not allowed.
<b>Newly Formed Groups</b>	MediExcel will accept the same requirements as the CA carrier, or 30 days payroll.	MediExcel will accept the same requirements as the CA carrier.
<b>Limited Open Enrollment Period</b>	Groups that fail to meet the minimum participation or contribution requirements, but that satisfy the remaining eligibility criteria will be permitted to elect coverage during a limited open enrollment period from November 15th through December 15th of each year.	Not applicable.
<b>Valid Waivers</b>	CA Carrier Coverage, Covered California, Group Spousal Coverage, Medicare, Medi-Cal, COBRA, Active Duty Military.	CA Carrier Coverage, Covered California, Group Spousal Coverage, Medicare, Medi-Cal, COBRA, Active Duty Military.
<b>Waiting Period Options</b>	Any ACA/state compliant period is acceptable. Coverage begins on the first day of the month.	Any ACA/state compliant period is acceptable. Coverage begins on the first day of the month.
<b>PEO Relationship Cancellation</b>	Provide the cancellation letter sent to the leasing company. Payroll register from the prior PEO must be submitted.	Provide the cancellation letter sent to the leasing company. Payroll register from the prior PEO must be submitted.
<b>Administrative Fees</b>	1-3 EEs: \$10.00 monthly admin. fee *Dependents are not included towards count.	None.
<b>Proof of Payroll</b>	We reserve the right to ask for proof of payroll. 5 EEs or more does not require DE9C. Any employer with EEs age 62 and older must provide proof of their full time status.	None.

**Notes:**

<sup>1</sup> Groups must have all completed paperwork into MediExcel underwriting by the 5th business day of the requested effective date. If not received by this date, the effective date will be moved to the next month. The effective date will be the 1st of the month and may be requested up to 60 days in advanced.

<sup>2</sup> When MEHP is sold alongside any CA HMO, PPO and/or cross-border carrier, MEHP's product size can match the CA carrier's product size.

<sup>3</sup> Age rated as per Small Group premium rate table in effect on group's effective date. Age rate adjustments and new hire enrollee rates based on the enrollee's age as of the group contract date the contract/renewal became effective.