



August 16, 2017

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Agent Service Center: 800-267-3156

Extended Contract Option for Transitional Relief/Keep Your Plan Small Group Employers with 4Q 2017 Renewal Dates

Sales Audience: Small Group

Small Group employers that have non-grandfathered, pre-ACA (Affordable Care Act) plans—also known as Transitional Relief/KYP or “grandmothered” plans—with renewal dates in 4Q 2017 will have the option of renewing into their grandmothered plan for longer than 12 months.

What does this mean to you?

Small Group employers renewing in the 4th quarter of this year with ONLY grandmothered plans can renew into their existing plans, allowing them to keep their current plans and 2017 rates through 12/31/2018. This option is NOT available for groups that have BOTH grandfathered and grandmothered plans. This option is NOT available for Florida Health Care Plans (FHCP) or Capital Health Plans (CHP).

Action

You can start discussing this option with employers with fourth quarter renewal dates immediately! The extended contract option is only available to Small Groups that have renewal dates from 10/1/17 – 12/31/2017.

How will this work?

- Florida Blue will send renewal packages per our normal processes.
- Agents will have consultative discussions with employers regarding renewal options.
- All groups—regardless of whether their effective date falls on the 1st or the 15th—will have their anniversary date changed to January 1, 2019. This change will take effect during 3Q2018.
 - Groups with effective dates on the 15th of the month will also have eligibility rule changes which would impact when an employee’s coverage would be effective, depending on their hire date.

Continued on Next Page

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- The billing date for groups will also move from the 15th of the month to the 1st of the month. The process to move the group's billing date would create a 15-day and a 30-day invoice to cover 45 days' worth of premium. Both invoices are due on the same day.
 - For example, if a group with an 11/15 renewal date chooses the extended contract option, their billing would look like this:

Invoice Number	Bill Generation Date	Bill From Date	Bill To Date	Bill Due Date	Invoice Amount	Action taken for billing updates based on date change
72240852	11/3/2017	11/15/2017	12/15/2017	11/15/2017	\$7,600	Invoice will be voided upon receiving date change request
72304001	11/13/2017	11/15/2017	12/01/2017	12/1/2017	\$3,800	New invoice requested for 15 days to update billing from 15 th of the month to the 1 st
72304005	11/14/2017	12/01/2017	01/01/2018	12/1/2017	\$7,600	Invoice is requested for the new bill cycle of 1 st of the month

- For any group that takes the extended contract option and will need to change their billing date, Group EM&B will work closely with them to ensure the group understands the process, the bill timing and to answer any questions.
- For groups with Florida Blue plans:
 - If the employer chooses to renew as-is with an extended contract, the employer will need to sign an [extended contract period amendment](#).
 - For example, an employer with an 11/1/17 renewal date choosing to have an extended contract will be provided a rate that will apply from 11/1/17 to 12/31/18.
 - Agents should submit the signed [extended contract period amendment](#) along with the renew as-is paperwork **at least 10 days prior to the renewal date** by attaching the extended contract period amendment to the renewal in the SellPoint. For more details about this process, please see the [KYP Extended Contract Options Job Aid](#).
- If you've already submitted your Oct/Nov renewal to Florida Blue, you can submit the extended contract period amendment to the same [Florida Blue SGSS mailbox](#).
 - [Florida Blue Extended Contract Period Options Job Aid](#)
 - [Florida Blue Extended Contract Period Amendment](#)

Continued on Next Page

Things to keep in mind

- If the employer chooses to renew as-is with the extended contract option in the fourth quarter of 2017, they will retain their current plans until 12/31/2018.
- Prior to that time, they will need to select an ACA plan to be effective 1/1/2019 and their anniversary date will change to January 1, 2019.
- If a group needs to be moved from the 15th to the 1st, they'll get an invoice for the regular renewal followed by an invoice for 15 days and another invoice for 30 days.

Questions?

For more information about the Expiration of Transitional Relief / Keep Your Plan, and how to help your Small Group employer select a plan that's right for them, please visit the [Small Group Agent Toolkit](#) which includes:

- KYP Poster
- Overall KYP FAQs

Employer – REQUEST TO CHANGE ANNIVERSARY DATE to Extend Contract Year to December 31, 2018 (“Extended Contract Amendment”)

Group Name _____

Group Number _____

Agent Name _____

Agent AOR # _____

This Extended Contract Amendment, if signed by a Group Decision Maker and accepted by Florida Blue will modify the Group’s Anniversary Date, as defined in the Group Master Policy, for the upcoming 2017-2018 contract year and extend it to end at midnight December 31, 2018.

Section I

Notice of Contract Year Extension

Florida Blue and _____ mutually agree to change the 2017-2018 Anniversary Date to end at midnight on December 31, 2018 subject to the existing Group Master Policy terms and conditions other than this change in the Anniversary Date.
Insert Employer Name Here

Signature of Group Decision Maker

Title

Date

E-Mail Address of Decision Maker [required.]

Acknowledgement of receipt of this Extended Contract Amendment will be sent to the provided e-mail along with next steps.

Section II

Important Disclosures

By signing below _____ group health Plan understands and agrees to the following important disclosures for this Anniversary Date change for the 2017/2018 contract term:
Insert Employer Name Here

- 1.) That only the group health insurance Anniversary Date for 2018 is changing, neither my benefit period for accumulators nor our Plan Year*, if applicable, are changing;
- 2.) That if our employee welfare benefit plan is subject to the federal law generally known as ERISA, that we: 1.) have a defined Plan Year and 2.) that our Plan Year will not renew in 2018 during the period of October 2 to December 31. 3.) That we have discussed with our legal counsel any implications of such an extension to any: a.) IRC section 125 Cafeteria Plan I may have, and b.) any implications for my Plan’s Department of Labor required Plan Documents or defined Plan Year*.
- 4.) That we understand that our group health insurance plan will end at midnight December 31, 2018, as required by federal law since the plan is not compliant with the Affordable Care Act and is currently subject to transitional plan guidance issued by the federal government in 2013, as later updated/amended.
- 5.) That my premium rates will not change during this Extended Contract Amendment other than for standard demographic changes, e.g., the addition and/or subtraction of employees from coverage.
- 6.) That this Extended Contract Amendment, if fully executed and acknowledged by Florida Blue, shall supersede any other documents indicating the Anniversary Date for 2018 and will become my standard Anniversary Date thereafter.
- 7.) That Florida Blue must receive a properly signed Extended Contract Amendment no later than 10 days before the Group’s 2017 renewal date. Florida Blue shall acknowledge and honor Extended Contract Amendments submitted after such date only upon a showing of good cause as determined solely by Florida Blue.
- 8.) That this Extended Contract Amendment is not accepted by Florida Blue if an acknowledgment of receipt e-mail is not sent to the Group (and received by the Group) at the e-mail address identified above.

Signature of Group Decision Maker

Relationship to Company

Date

* Plan Year is the twelve consecutive month period of time under which the plan is maintained. If your plan is subject to the federal law known as the Employee Retirement Income Security Act of 1972 (“ERISA”) your Plan Year should be in (1) your Summary Plan Description (SPD), (2) in your required Plan Document, and/or (3) your Form 5500 report to the Department of Labor if you are obligated to complete such a report.



Keep Your Plan Extended

Contract Options Job Aid

Below is a list of questions and answers, talking points and background information to assist you in conversations with groups interested in taking advantage of an extended contract to keep their grandmothers plans.

1. Is the extended contract option available for groups with both calendar and non-calendar year benefit periods?

Yes.

2. How will an extended contract option affect the group's benefit period and accumulators?

The benefit period will remain the same 12-month period just like it is currently. Accumulators will reset on the same date as they always have with the benefit period. **Example:** 11/1/17 effective date on a non-calendar year group: for a 14-month extended contract, rates will be held for 14 months, benefit period will run 11/1/17-10/31/18, accumulators will reset 11/1/18, group transitions to ACA plan on 1/1/19, and accumulators from 11/1/18–12/31/18 will carry over to the group's new ACA plan.

3. How will an extended contract option affect the group's anniversary date?

All groups—regardless of whether their effective date falls on the 1st or the 15th—will have their anniversary date changed to January 1, 2019. This change will take effect during 3Q2018. Groups with effective dates on the 15th of the month will also have eligibility rule changes.

4. How will an extended contract option affect the group's billing cycle?

For groups that are on a 15th of the month billing cycle, their billing cycle will change to the 1st of the month. Based on this change, the group will receive an updated invoice for 15 days of premium due and an invoice for 30 days of premium due. See example below.

Invoice Number	Bill Generation Date	Bill From Date	Bill To Date	Bill Due Date	Invoice Amount	Action taken for billing updates based on date change
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5. What process should an Agent follow to submit a Florida Blue group interested in taking advantage of the extended contract option?

- a. If you have not yet submitted a group's renewal paperwork, you have up to 10-days prior to the renewal date to submit the signed [extended contract period amendment](#) along with the renew as-is paperwork by attaching the group amendment form to the renewal in SellPoint.
- b. If you have already submitted a group's October or November renewal, you have up to 10-days prior to the renewal date to submit the signed [extended contract period amendment](#) along with the renew as-is paperwork to the Florida Blue SGSS mailbox at SmallGroupEnrollmentOperations@floridablue.com.



Keep Your Plan Extended

Contract Options Job Aid

- c. If you have already submitted your group's October or November renewal, in which the group switched to an ACA plan, you still have up to 10-days prior to the renewal date to switch the group back to grandfathered plan and submit the signed [extended contract period amendment](#) along with the renew as-is paperwork to the Florida Blue SGSS mailbox at SmallGroupEnrollmentOperations@floridablue.com.
- 6. Is the extended contract option available for small groups with both Florida Blue and Florida Health Care Plans (FHCP)?**
This option is NOT AVAILABLE for FHCP.
- 7. Is the extended contract option available for small groups with Capital Health Plans?**
This option is NOT AVAILABLE for Capital Health Plan (CHP). There are currently no Florida Blue/CHP packaged small groups with grandfathered and grandmothered plans.
- 8. Why can't a group with both grandfathered and grandmothered plans have an extended contract?**
We are only permitted to extend the contracts of grandmothered plans. Another option would be to move all the employees to the grandmothered plan. This would mean the groups would lose its grandfathered status but they would be able to take advantage of the extended contract.
- 9. Why is the contract extension amendment required?**
The signed contract extension amendment is required to acknowledge the group's insurance contract is extending through 12/31/18.
- 10. My group's SBCs and/or contract materials still reflects a 12-month contract period. Did Florida Blue not get the signed group amendment?**
Florida Blue will send an email acknowledgement that we received the signed group amendment. If you and your group received that email, then Florida Blue did receive and approve the contract extension for your group. The amendment contract extension overrides any printed contract dates.
- 11. If my group has ancillary, will its ancillary contract also be extended until 12/31/2018?**
No, this contract extension only applies to the group's grandmothered health plan. Your group's ancillary plans will continue with their existing contract period.
- 12. When my group renews into an ACA plan effective 1/1/2019, will the group's ancillary plans have to move their anniversary month to January, as well?**
The ancillary anniversary months do not have to move; they can remain as-is. The only change that may have to occur is for ancillary products billed with health that have an anniversary date on the 15th of the month. For these groups, the ancillary anniversary date will have to move to the 1st of the month. If groups would like to make changes to anniversary renewal dates, please use the standard process you would use outside of this extended contract offering.
- 13. The new changes are not appearing in BluesEnroll. When will agents and employees be able to see the change in BluesEnroll?**
Once a group is triggered, groups and agents should be able to see it in BE within 24-48 hours. If the updated renewal dates are not showing, agents should contact the ASC and employers should contact Group EM&B for assistance. The ASC and Group EM&B will follow their existing process to investigate the concern and to send in a technical ticket, if necessary.



Keep Your Plan Extended Contract Options Job Aid

14. If a group is renewing as-is, can the group still go in and make changes (i.e., additions and terminations) during 2018 Open Enrollment?

If an employer chooses the extended contract option, their anniversary date will change from their current anniversary date (e.g., 11/1, 11/15 or 12/1) to 1/1/2019. This means that the employer's next renewal will be in preparation for their 1/1/2019 renewal. During November and December of 2018, the employer will be able to make all of the changes they would typically make in preparation for their renewal (which is now Jan. 1). For 1/1/2019, the employer will need to move to an ACA plan unless the employer has a grandfathered plan in their package. If this is the case, they also have the option of migrating all of their transitional relief (Keep Your Plan) employees to the grandfathered plan.

At that time, employees will need to select from plans available using normal processes. An employer can, but is not required, to have an open enrollment for their original 2018 renewal date.

15. Will Florida Blue update SBCs to reflect the extended contract dates?

As disclosure #6 on the signed extended contract form states that the dates noted on it supersedes all other plan documents that outline the contract period, SBCs will be updated on a group's 1/1/19 renewal.

16. What will the 2018 open enrollment period look like? Will any additional paperwork be required?

For groups choosing the extended contract option, their next required open enrollment period will be for 1/1/19. No additional paperwork is required until their 2019 renewal.

17. If the law changes between now and Jan. 1, 2019, will Florida Blue be allowing groups to revert back to their original anniversary date?

Florida Blue processes currently allow groups to change their anniversary dates to meet their business needs. Florida Blue will continue to monitor legislative and regulatory activities related to the ACA to identify future changes in the law and how those changes might impact our groups and members. Florida Blue will implement policy changes to ensure compliance with the ACA and act in the best interest of our members.

Additional Talking Points

- We understand that the Affordable Care Act can be complicated. We are committed to providing our Small Group employers with as many options as possible to ease the transition from their current grandfathered health plans to those that are compliant with the ACA.
- To help ease the transition, Florida Blue is excited to announce that Small Group employers renewing in the 4th quarter of this year with grandfathered plans can renew into their existing plans, allowing them to keep their grandfathered plan through 12/31/2018.
- Small Group employers with renewal dates between 1/1/2018–10/1/2018 will still be able to renew as-is into their grandfathered plan for a short contract year and will need to select an ACA plan to be effective 1/1/2019.
- Employers in grandfathered plans with renewal dates 10/2/2018 or after will need to select an ACA plan at renewal.
- Regardless of renewal date, CMS requires that Small Group employers be in an ACA plan on 1/1/2019.
- Regardless of renewal date, Small Group employers in grandfathered plans that also have a grandfathered plan in their package can always choose to migrate their employees to the grandfathered plan.



Keep Your Plan Extended Contract Options Job Aid

Background

On December 31, 2018, Transitional Relief plans—also known as Keep Your Plan (KYP) and grandmothed plans—will expire and all Small Group employers with grandmothed plans will need to migrate to an ACA plan. This means that:

- Small Group employers in a grandmothed plan must be in an ACA plan on 1/1/2019.
 - Employers in grandmothed plans with renewal dates October 2, 2018 or after will need to select an ACA plan at renewal.
 - Small Group employers who renewed into their grandmothed plan between 1/1/2018–10/1/2018 will need to select an ACA plan to be effective 1/1/2019 (short contract year).
- Grandfathered plans are not impacted by this expiration. Regardless of renewal date, Small Group employers with grandmothed plans that also have a grandfathered plan in their package can always choose to migrate their employees to the grandfathered plan.