

Frequently Asked Questions on CareFirst Recontracting

These FAQs apply to the **2018 Agent Agreement for Group Market Products**

Q. On the first page of the contract in the first paragraph, it asks for the Agent/Agency name. What should I put in this field?


A. If you are completing this contract for an Agency (a duly licensed entity), please enter the name of the Agency. If you are completing this contract as a sole proprietor and do not have an Agency, please enter your name.

Q. How do I complete the Agent/Agency information section of the contract (p. 12)?

A. The Agent/Agency Name field will auto-populate with the Agent name or Agency name that you entered on the first page of the contract. If you entered your name, please provide your Social Security Number, your National Producer Number (NPN), and your license numbers for each jurisdiction, as applicable. If you entered an Agency name, please provide the Tax ID Number, the NPN, and the license numbers for the Agency. If you entered an Agency name, you will also need to complete the "Responsible Individual" Section on the bottom half signature page. Please provide the requested information for the Responsible Individual (also known as the Principal and Primary Decision Maker) in this section.

Q. I am completing the Agreement as an Agency and when I click "Sign" on the signature page (pg. 13), I see the name of my agency, not my name. Do I need to change this?

A. Yes. We have a tip directly above the signature line that tells you to "click 'Sign' and change the Agency Name to your name." **This is an important step.** The contract will not be valid without a person's name and electronic signature. When you click on Sign, a box will pop-up called 'Adopt Your Signature.' Please change the Agency name that shows in the Full Name box to your name (First Name, Middle Initial, Last Name) and enter your initials in the Initials box. You may then select a style for your signature.

 ****IMPORTANT: When you click "Sign", please change Agency/Company Name to your name.**

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Q. What is Privacy Insurance?

A. Privacy Insurance is another name for Cyber Liability or Cyber Security Insurance.

Q. Why is CareFirst requiring Commercial General Liability insurance and Privacy (or Cyber Liability) insurance beginning 2/1/2018?

A. CareFirst wants to protect its members. We want to be sure that CareFirst groups and subscribers are dealing with agents and agencies that are well protected against losses that could affect the viability of their businesses and the security of member information.

Commercial General Liability insurance protects businesses in the event of legal action that could have a devastating impact on the business. It is, unfortunately, a necessary cost of doing business today because the likelihood of being sued is more common in our litigious culture.

Privacy Liability (or Cyber Liability) protects businesses in the event of a data breach in which personal information is exposed or stolen. CareFirst is requiring Privacy Liability (or Cyber Liability) insurance because agents and agencies manage Protected Health Information (PHI) and Personal Identity Information (PII) on a regular basis, and cyber security is an increasing concern. Breaches are caused by everything from lost, discarded, or stolen laptops, PDAs, and smartphones, to innocent procedural errors and acts of disgruntled employees. This can happen to any size business, big or small. The data you collect on our members is invaluable and protected. Even if an agency outsources data handling to a third-party agency, it can still be liable for any data that is breached.

Typically, a Commercial General Liability policy specifically excludes losses incurred because of the Internet. Email phishing scams, identity theft and telephone hacking are all crimes that traditional Commercial General Liability policy policies do not cover. A Privacy or Cyber liability policy can pick up where your Commercial General Liability policy leaves off.

Certificates of Insurance for these coverages, and for E&O, must be submitted with the contract via DocuSign by December 31, 2017.

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Q. I work at home and do not have another office or store front. Do I need to submit a Certificate of Insurance for Commercial General Liability Insurance?

A. No. However, this is a required field in DocuSign and you will not be able to submit the contract unless a document is uploaded. In this situation, where it says, "Attach Commercial General Liability Insurance COI," please attach a Word document that explains that you work from home, you do not have another office or storefront and you do not have a Commercial General Liability policy. This provides a record of why we did not receive a Commercial General Liability COI and will allow you to submit your contract.

Q. I work for an insurance company (like Nationwide, State Farm or New York Life) that provides my office. The company holds the Commercial General Liability policy. Do I need to submit a Certificate of Insurance for Commercial General Liability Insurance?

A. No. However, this is a required field in DocuSign and you will not be able to submit the contract unless a document is uploaded. In this situation, where it says, "Attach Commercial General Liability Insurance COI," please attach a Word document that explains that you work for a company that provides your office, you do not have another office or storefront and you do not have a separate Commercial General Liability policy. This provides a record of why we did not receive a Commercial General Liability COI and will allow you to submit your contract.

Q. How do I know how many members to use to determine my Privacy (Cyber Liability) insurance limit?

A. Take the number of medical subscribers that you are being paid commission on and multiply by 2. For example, if you are being paid commission on 1,000 total contracts, the number of members is estimated to be 2,000.