

For brokers, general producers and full-service producers

Not intended for distribution to groups or members

Date: March 30, 2018

Market: All CDH FACETS Group Members. Group members with Blue Rewards Incentive Cards

Update on the April 1 Migration to New Vendor for CDH Plans and Blue Rewards Incentive Card Administration

The April 1, 2018 BlueFund consumer-directed health care (CDH) plans and Blue Rewards incentive card migration is progressing on schedule. Group and member communications that outline actions that must be taken have been sent.

You may wish to remind your groups of these requirements and any associated deadlines.

| | Communications sent | Actions required |
|--|--|--|
| Blue Rewards: | | |
| Employers | <ul style="list-style-type: none"> Employers with BlueFund products received a letter. A Blue Rewards template letter was also provided for brokers and sales to send to their impacted accounts. | <ul style="list-style-type: none"> There is no action needed from the group for the migration. |
| Members | <ul style="list-style-type: none"> Letters were mailed to employees who earned a Blue Rewards incentive card and have a current balance. | <ul style="list-style-type: none"> There is no action needed from the member for the migration. |
| Health Reimbursement Arrangement (HRA): | | |
| Employers | <ul style="list-style-type: none"> Email and pin sent with directions for accessing the Further online portal. <ul style="list-style-type: none"> If this communication was not received, groups should contact 866-758-6119. | <ul style="list-style-type: none"> Log in to the Further portal to ensure information is accurate. <ul style="list-style-type: none"> Prior to April 1 – log in to carefirst.selectaccount.com/eclient After April 1 – log in from the employer portal. |
| Members | <ul style="list-style-type: none"> Migration notification letters sent explaining the blackout period from March 22 – March 31. | <ul style="list-style-type: none"> There is no action needed from the member for the migration. |

| Health Savings Account (HSA): | | |
|--------------------------------------|--|--|
| Employers | <ul style="list-style-type: none"> • Email and pin sent with directions for accessing the Further online portal. <ul style="list-style-type: none"> • If this communication was not received, groups should contact 866-758-6119. | <ul style="list-style-type: none"> • Log in to the Further portal to ensure information is accurate. <ul style="list-style-type: none"> • Prior to April 1 – log in to carefirst.selectaccount.com/eclient • After April 1 – log in from the employer portal. • Employers should stop making contributions to BenefitWallet and setup contributions at Further by March 26. • Update banking information. |
| Members | <ul style="list-style-type: none"> • Letters were sent outlining the first bulk transfer deadline, which was March 20, 2018; and members who authorized the HSA transfer request by this date will have their HSA balances available at Further on April 10. | <p>The final bulk transfer deadline date is April 16.</p> <ul style="list-style-type: none"> • Members will need to complete and return the HSA transfer request by April 16 to have their funds at Further by May 9. • If action is not taken by April 16, they will be considered a BenefitWallet member and will begin to be charged the monthly admin fee. • If the account is not transferred by May 31, the member will also be responsible for any account closure costs if choosing to transfer their account later. |



New BlueFund Groups

The following information applies to new BlueFund Groups (as of 4/1), or renewing groups who are adding BlueFund for the first time:

- Information for 4/1 New Groups was provided to Further on March 20.
- Further will be loading the groups into their system and reaching out to the group to complete the HSA or HRA Plan Design Guide (PDG).
- **The Plan Design Guide must be completed and returned to Further prior to CareFirst sending member enrollment to Further.**
- Upon receiving the enrollment, Further will send out welcome kits to members.

Key Takeaways about Further

Further does not have a Required Minimum Funding (RMF) for their **HRA** accounts.

- New groups must complete a Plan Design Guide to have their HSA or HRA account setup at Further.
 - Once Further confirms receipt of the completed Plan Design Guide, CareFirst will send member enrollment to Further. The member's account will automatically be setup at Further (there is nothing that the member needs to do to open the account).
- Further does not require signed paperwork to renew a BlueFund account. The CDH account is automatically renewed at Further with the existing account selections. A group can review its selections by logging into the employer portal and selecting the *BlueFund link* under the *Finance* tab. **Employers who wish to make changes should email carefirstinfo@hellofurther.com (prior to Further receiving the enrollment).**

Additional Information

To provide you with additional information, we have prepared detailed FAQs, which are attached.

Should you have any questions, please contact your broker sales representative. You may also call the Further dedicated customer service line at **866-758-6119**, Monday - Friday from 9 a.m. - 6 p.m. Eastern time.

Sincerely,



Brian D. Pieninck
Chief Operating Officer



**2018 CareFirst BlueCross BlueShield and FurtherSM
Migration and Impact FAQs
3.30.18**

General

1. Is there a direct contact at Further for escalated issues?

Yes, there will be an in-house Further representative that sales representatives and brokers can contact for any issues that require escalation.

2. How many groups/members are being migrated to Further?

There are approximately 8,000 groups and 60,000 members migrating to Further.

3. Is Further equipped to accommodate the large number of groups/members migrating their accounts to them?

Further has doubled their staffing on their customer service line to accommodate the increase in calls from CareFirst accounts. Further will also have two full-time employees onsite at the CareFirst Owings Mills office to address the needs of employers, members, sales, and brokers.

4. Will there be materials available in Spanish?

CareFirst is currently translating materials that support BlueFund, including applicable overview fliers and the HRA and HSA plan design guides.

5. What are the hours of operation of the CareFirst BlueFund customer service center?

For Employers and Brokers:

Monday-Friday 9 a.m. - 6 p.m. EST

For Members:

Monday-Friday 8 a.m. - 9 p.m. EST

Saturday-Sunday 9 a.m. - 6 p.m. EST

(Note: Sat and Sun hours are not effective until 4/7/2018 and will be for members only.)

General Migration

1. If employers have not received an email from Further with instructions on how to sign on to the portal, what should they do?

Employers should call the CareFirst BlueFund Customer Service line at 866-758-6119.

2. How can employers access the Further employer portal?

Employers will be able to single sign on (SSO) over to Further's website through the CareFirst employer portal by following these steps:

- Log in to the employer portal
- Select "Finance"
- Select "BlueFund" link

3. Will a confirmation email be sent to the Group Administrator/Broker/Partner/Sales Representative to confirm that all setup instructions have been completed for the HRA and HSA?

Yes, a confirmation email will be sent when the group setup is completed.

4. Can groups have additional people added to their portal access?

Yes, groups may contact Further directly at 866-758-6119 to have additional people added for portal access. Further can add them to the email invite that is sent out for portal access.

5. For members to enroll in their new Further account online, they need a SA Spending Account ID Number. If a member does not have this or know what their SA Spending Account ID is, how do they obtain that number?

A Welcome Kit was sent to all new members, which included their SA Spending Account ID number, e.g. SA1111111. If a Welcome Kit was not received, the member should contact the CareFirst BlueFund customer service line at 866-758-6119.

Migration Paperwork:

1. What paperwork needs to be completed for 4/1/18 HSA groups?

4/1/18 HSA groups should complete the Plan Design Guide (PDG) and return it to Further. Additionally, any existing groups that are adding BlueFund for the first time should also complete the PDG.

2. Can the forms specific to Further (e.g., Plan Design Guide, ACH authorization form, HSA Transfer form) be signed electronically?

Yes, forms may be signed electronically.

3. What is the difference between the "BenefitWallet Group Trustee HSA Transfer form" and the "HSA Transfer form?"

The BenefitWallet Group Trustee HSA Form is for members to transfer their existing BenefitWallet funds over to our new vendor, Further. The HSA Transfer form is used to transfer funds from other existing HSAs they may have.

Employer Funding

- 1. When can employers begin funding employees' accounts?**
As soon as the employee accounts are set-up, employers can send their contributions prior to the effective date. However, funds will only be accessible to their employees after their effective date.
- 2. When will the first transmittal take place and where would we send our funds for our 3/15/18 and 3/31/18 pay dates?**
3/26/18 was the last date for posting HSA contributions; moving forward, contributions should be made through Further.
- 3. Is there a date that employers must stop sending funds to BenefitWallet? Can the employer send funds to BenefitWallet during the blackout period?**
For an HRA, the last day for employers to post a contribution was 3/21/18. For an HSA, the last day for employers to post a contribution was 3/26/18.
- 4. If a group has a payroll file with FTP which requires a new set up, what should they do?**
The group should contact Further directly at 866-758-6119 to set up the payroll file.

Reimbursement

- 1. Will claims incurred during the blackout period be forwarded to Further for reimbursement or will members have to manually submit their claims?**
Members will need to manually submit claims incurred during the blackout period.
- 2. If a member does not have internet access and needs reimbursement, what should they do?**
The member should call Further's customer service line and elect to turn on an automatic claim payment. Essentially, they opt to receive a file of claims from Further that they will automatically reimburse back to the member via a mailed check. Members will also have the option to complete a paper claims form.
- 3. If a member receives an invoice for a claim with date of service in March 2018, prior to April 1, 2018, can they use their new BlueFund debit card to pay for it?**
Yes, covered members can use their BlueFund debit cards to pay for a date of service in March, on or after 4/1/18.

Debit Cards

- 1. For HSA, HRA, and Blue Rewards cards—can members request additional cards for family members at no cost?**
BlueFund HSA and HRA members can request additional cards at no cost—Blue Rewards members cannot request additional cards (only one card is sent per family).

2. **If funds are left in the BenefitWallet account, at what point will BenefitWallet issue a replacement debit card to give the members' access to their monies?**
BenefitWallet will be re-carding members who have money left in their account at the beginning of May 2018.
3. **If someone requests a reimbursement from Further because they did not receive a debit card in 2018 from BenefitWallet, how quickly will they receive their reimbursement from Further?**
Reimbursement typically takes 10-14 business days if the member is requesting a check. If they have direct deposit it will take 3-5 business days.

HRA Specific

1. **Is there a minimum employer contribution amount for an HRA?**
There is no required minimum Employer funding amount for the BlueFund HRA with Further, but there must be some funding in order for an employer to select a BlueFund HRA plan (e.g., No funding = no HRA). Employers are allowed to fully fund the deductible, just like they were able to do with BenefitWallet.
2. **When will groups receive their RMF (10% reserve) back from BenefitWallet?**
Groups' RMF reserve will be returned in late May.
3. **What are some of the optional HRA features available?**
Further offers three HRA options:
 - **Employer pays first**
With this option, the employer funds the HRA as expenses are reimbursed up to a predetermined amount. The HRA pays until the funds are exhausted. After that, the employee pays for medical services out of pocket until the health plan deductible is met. Once the deductible is met, the health plan starts to pay subject to any coinsurance amounts
 - **Employee pays first**
With this option, the employee pays out of pocket until a preset amount has been paid. When this "threshold" has been reached, the HRA pays until exhausted. The employer funds the HRA as expenses are reimbursed up to a predetermined amount. After that, the employee pays out of pocket until the health plan deductible is reached. Once the deductible is met, the health plan starts to pay subject to any coinsurance amounts.

Shared payment

With this option, the employer and the employee share the medical costs until the account is exhausted. As expenses are incurred, the HRA reimburses the employee according to the cost-sharing level (e.g. 50/50, 80/20) until the HRA is exhausted. The employer funds the HRA as expenses are reimbursed up to a predetermined amount. After that, the employee pays out of pocket until the health plan deductible is met. Once the deductible is met, the health plan starts to pay subject to any coinsurance amounts.

HSA Specific

1. **Is there a minimum employer contribution amount for an HSA?**
There is no required minimum employer funding for the HSA with Further.
2. **Does Further “penny fund” new and migrating HSAs?**
Further does not do “penny funding” to establish an HSA.
3. **What date will the Survey Monkey link be available until for members to transfer their HSA funds from BenefitWallet to Further?**
The first wave of the Survey Monkey link closed on 3/20/18 for members to have their funds transferred to Further. The second wave is effective now—the site is updated to reflect that the member has until 4/16/18 to consent to having their funds transferred to Further.
4. **What date do members need to transfer their HSA funds by to avoid incurring the monthly fee of having a balance of less than \$1000 with BenefitWallet?**
The HSA transfer needs to be completed by 4/16/18 to avoid incurring the monthly fee. The fee itself needs to be verified by the account holder with BenefitWallet. In addition, if a member does not transfer their HSA funds by 5/31/18, they would also be responsible for a \$25 closure fee from BenefitWallet.
5. **For new members and groups, if there is no money deposited in the HSA, is it closed within 90 days?**
Just like during the migration, if no funds are deposited within in 90 days, the HSA will be closed.
6. **Does Further offer checking accounts?**
Further does not offer checking accounts or any check processing. A member **cannot** order checks from a check processing company to use with their Further HSA account.
7. **Will “frozen” BenefitWallet accounts migrate to Further?**
If an HSA was frozen at BenefitWallet, the information will be provided to Further and an account will still be opened at Further.
8. **If funds are left in the BenefitWallet account, at what point will BenefitWallet issue a replacement debit card to give the members' access to their monies?**
A: BenefitWallet will be re-carding members who have money left in their account at the beginning of May.
9. **When a group moves to Further, but an employee does not transfer their BenefitWallet HSA funds to Further, will a new Further HSA account be set up for this employee, so that the employer can send the employee’s payroll contributions to the Further HSA account?**
Even if an employee doesn’t transfer his/her HSA balance, an HSA account is still auto-opened with the Migration setup process at Further for them. If the employee does not complete the HSA transfer by 4/16/18, their account will remain open at BenefitWallet and the member will be responsible for the monthly administration fee. If the member does not transfer the account to Further by May 31, 2018, the member will also be responsible for paying any account closure fees (CareFirst is paying the transfer fee until 5/31/18).

10. If a member wants to contribute on their own (not through payroll deductions) to their HSA with Further, how would they go about doing this?

The member should contact Further at 866-758-6119 to work through this process.

11. Will transaction history be transferred from BenefitWallet to Further? If a member closes their BenefitWallet account, will they still be able to view transaction history online with BenefitWallet?

The current benefit period transaction history will be transferred to Further. BenefitWallet will also maintain historical HSA information. After 4/1/18, members will need to go directly to BenefitWallet to access their account at www.mybenefitwallet.com.

12. What are Further's interest rates?

Current Further Interest Rates as of March 2018:

| | ThriftSaver | SelectSaver |
|----------------------|--------------------|--------------------|
| \$0.00-\$2,499.99 | 0.10% | 0.05% |
| \$2,500-\$9,999.99 | 0.15% | 0.07% |
| \$10,000-\$14,999.99 | 0.20% | 0.07% |
| \$15,000-\$24,999.99 | 0.25% | 0.10% |
| \$25,000+ | 0.35% | 0.10% |

13. Are there tax implications for liquidating funds?

No, there are no tax implications.

14. Will there be communications provided to terminated employees who still have an account balance with BenefitWallet?

CareFirst is not be responsible for communicating to former employees. However, former employees' accounts with BenefitWallet would remain open and the former member continues to be responsible for any admin fees.

15. If a group/member terminates after being set up on Further, what are the fees to continue their HSA?

There are a few different scenarios:

Scenario 1

- Member leaves their employer but keeps their HSA with Further and the group remains with Further
- Member would be charged the CareFirst negotiated rate \$1.70

Scenario 2

- Group leaves CareFirst but the group keeps their HSA with Further
- Group and members would receive Further's commercial rates

Scenario 3

- Member leaves the group but keeps their HSA with Further. The group leaves CareFirst at a later date.
- Group would receive Further's commercial rate
- Member that left previously would see an increase in their rate to the commercial rate.

Blue Rewards

1. For April 2018 renewals, will Further be responsible for the Blue Rewards run out period?

Further will take on any remaining run out period.

2. How will Further know if the CareFirst member has not earned the Blue Rewards incentive?

Further will receive a list of members that earn an incentive on a nightly basis. If a member has questions about the incentive program or general questions about their health plan, they should call the number for customer service on the back of their ID card.

3. When will cards be issued for members who earn rewards during the blackout period (03/22/18-03/31/18)?

Members that earned from 3/14 to 3/27 will be loaded by 3/30 for cards to be in hand 4/6-4/13.

POP Plan

1. Are POP plans free? If so, does this include BlueFund and compatible plans?

POP plans are free if utilized with a BlueFund plan. If the group has a compatible plan, they will need to go direct to Further for a POP. Further will address fees for POP plans on Compatible plans.

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