

For brokers, general producers and full-service producers

Not intended for distribution to groups or members

Date: May 17, 2017
Market: **Small/Med Groups**

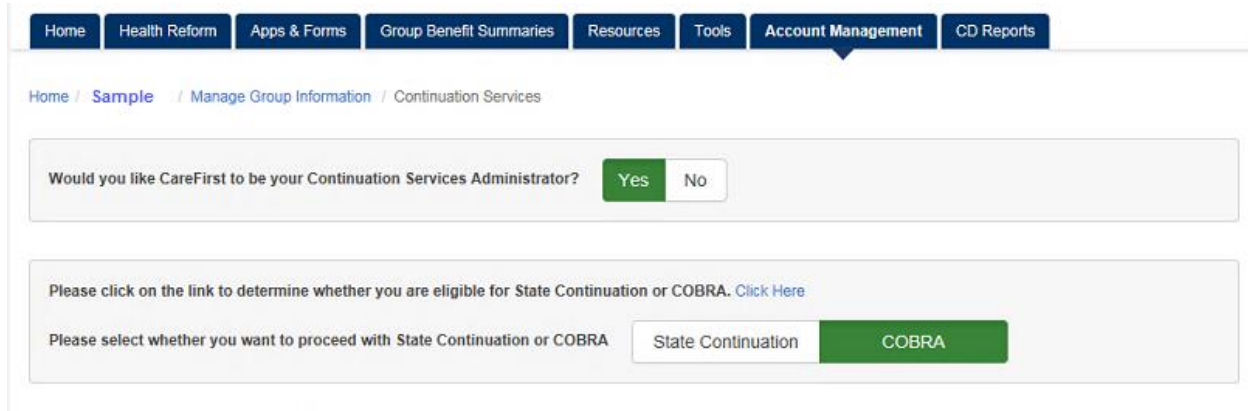
CareFirst Hub Continuation Services Available

On May 11, 2018, CareFirst deployed enhancements to the CareFirst Hub and Facets allowing brokers and employer groups to elect CareFirst continuation services for their groups. This optional CareFirst service will provide an automated, hands-off experience for the employer/broker by only requiring them to enter enrollment transactions through the CareFirst Hub as they do today.

Based on the specific transaction, the appropriate tasks will be triggered to administer continuation services based on state and federal regulations. CareFirst will offer COBRA, Maryland state continuation and Virginia state continuation services.

When can Continuation services be elected?

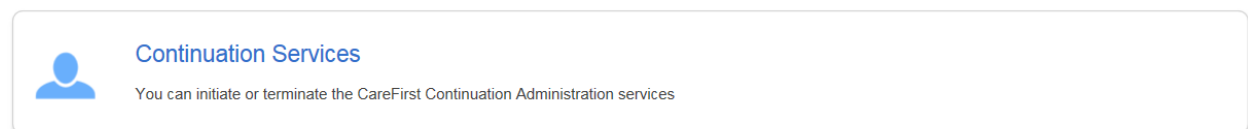
The CareFirst Hub has been enhanced to present this service during new and renewing group set-up (see below).



The screenshot shows a navigation bar with tabs: Home, Health Reform, Apps & Forms, Group Benefit Summaries, Resources, Tools, Account Management (selected), and CD Reports. Below the navigation bar is a breadcrumb trail: Home / Sample / Manage Group Information / Continuation Services. The main content area contains two sections. The first section asks, "Would you like CareFirst to be your Continuation Services Administrator?" with "Yes" (selected) and "No" buttons. The second section asks, "Please select whether you want to proceed with State Continuation or COBRA" with "State Continuation" and "COBRA" (selected) buttons. A link "Click Here" is also present in the second section.

If elected during new or renewing group setup, brokers/employers can make the service selection up to the last day of the month prior to the effective date of the policy.

The service selection may also be made at any point during the plan year using the "Manage Group Info" section of the Hub.



The screenshot shows a section titled "Continuation Services" with a person icon. Below the title is the text: "You can initiate or terminate the CareFirst Continuation Administration services".

If elected off-cycle, CareFirst continuation administration services may be selected to begin for a future effective date of up to two months from election date. No retroactive election is allowed.

Continuation service fees and invoices

Employer groups electing CareFirst Continuation Services will be charged \$1.10 per subscriber per month (PSPM), regardless of the number of products enrolled, with a minimum group administrative fee of \$35 each month. This administrative fee will be reflected on the group's monthly CareFirst invoice, shown as *Continuation Service Fee*.

Continuation participants will be invoiced directly and CareFirst will collect Continuation premiums directly from the participant. Participants will be charged an administrative fee of 2% of premium, in accordance with Federal and State regulations. This administrative fee will be reflected on the participant's monthly CareFirst invoice, shown as *Continuation Service Fee*.

Any 2-50 and 51-199 market segment groups with a CareFirst medical product whose enrollment is administered on the CareFirst Hub are eligible to select the service. This includes groups administered by a Hub Direct Agency, Direct Broker or a General Producer.

Groups NOT eligible for Continuation services

The below types of groups are currently NOT eligible for CareFirst Continuation Services

- SHOP (MD and VA) groups
- DCHL administered groups
- FSP/DBE administered groups
- Ancillary only groups with no CareFirst medical product
- 2-50 market segment with Grandfathered medical product (including mixed groups)
- 200+ market segment groups

CareFirst will not administer Continuation eligible ancillary products purchased from other carriers.

Please contact your Sales Representative should you have further questions about CareFirst continuation services.

Sincerely,



Timothy Matthews
Vice-President, Sales
Small-Medium Group SBU

