

For brokers and producers only

Date: August 20, 2020

Market: MD Small Group

CareFirst to Exit Maryland Grandfathered Plans in the Small Group Market

CareFirst BlueCross BlueShield will exit Maryland grandfathered plans in the small group market upon renewal starting January 1, 2021. Maryland grandfathered plans have had declining enrollment as groups move to plans that are more in line with their employees' expectations.

CareFirst will send a notification letter to groups and members of their exited plans, with January renewals receiving their letters on or after September 17, 2020. These notification letters will subsequently be mailed each month at least 90 days prior to the renewal through December 2021 renewals. Group letters will be mailed first, with member letters to follow a few days later.

In addition, the Maryland Insurance Administration has approved for CareFirst to passively enroll eligible groups into the closest Affordable Care Act (ACA) compliant plan upon renewal. This will be communicated in the notification letters. However, due to unique criteria for Maryland small groups, certain groups are not qualified to move to an ACA plan. Therefore, different variations of letters will be sent that are tailored to groups with these different circumstances. Please see the examples below:

Groups that qualify for passive enrollment upon renewal will be automatically enrolled in an ACA plan unless they take action.	Group letter	Member letter
Group that may not qualify for passive enrollment upon renewal still need to verify whether they are eligible as a small group. Examples include one-life, husband/wife groups, self-employed or 51+ groups. These letters will depend on the group's situation.	Group letter varies; impacted sales reps received a list of groups	Member letter
Groups that offer the Standard Over 65+ Plan can refer their employees to MedPlus Medicare Supplement plans.	Group letter	Member letter

Please note that Washington, D.C. and Virginia grandfathered plans in the small group market are not impacted.

For more information

If you have any questions, please contact your broker sales representative.