



Small Group Empire Prism EPO

Frequently Asked Questions for the 2007-2008 Renewal Cycle

1. *Is segmentation allowed? If so, does Empire need 60% (Downstate) or 50% (Mid-Hudson and Upstate) of the eligible employees in that segment to enroll into an Empire product?*

Answer: Yes, segmentation is allowed with the small group Prism EPO product as long as Empire is the sole carrier offered by the group. At least 60% (Downstate) or 50% (Mid-Hudson and Upstate) of a group's segment's eligible employees must enroll in an Empire product.

2. *Is the minimum participation percentage of 60% (Downstate) or 50% (Mid-Hudson and Upstate) required for the entire company?*

Answer: Yes, when offering Prism EPO products as a stand alone or a dual option to a group, 60% (Downstate) and 50% (Mid-Hudson and Upstate) of the eligible employees of that group must enroll in an Empire product. This applies to all segments within that group.

3. *Can a group change to Prism EPO products off their renewal cycle in 2008?*

Answer: No, groups are not permitted to convert existing Empire coverage to Prism EPO coverage off cycle (other than under the circumstances described in #5 below).

4. *When may a group that currently offers multiple carriers to their employees offer the Prism EPO product to those employees?*

Answer: A group with employees covered under both Empire coverage and coverage with another carrier may convert those employees not currently covered by Empire into a Prism EPO product on 01/01/2008 provided that full replacement and all other underwriting guidelines are met. Empire will look to ensure that both subgroups have the same renewal date moving forward.

5. *If a small group renewed in the 4th quarter of 2007, will Empire allow it to move to a Prism EPO product prior to its renewal date in 2008?*

Answer: Yes. Empire will allow small groups that have renewed in the 4th quarter of 2007 to move to a Prism EPO product on the following dates:

- Groups located in the Upstate or Mid-Hudson Rating Region: Beginning 01/01/2008
- Groups located in the Downstate Rating Region: Beginning 02/01/2008

6. *Will the ability to change from an Empire HMO product to a Prism EPO product be allowed to be made on Broker Online Services at <http://www.empireblue.com>?*

Answer: Yes, however changing from one product to another will require credentialing documents to verify that the group meets the underwriting guidelines for Prism EPO products. Empire Prism EPO products are expected to be available for quotes, renewals, proposals, and enrollments on Broker Online Services by November 16, 2007.



7. *If a small group has a rider to waive the pre-existing condition exclusion waiting period on their current plan and switches to a Prism EPO product, what will happen since the waiver is not available for the Prism EPO product.*

Answer: Based on the portability of coverage rules and guidelines, enrollment under another health plan can be credited towards the Prism EPO product as long as there is no break in coverage greater than 63 days. Thus, if the prior coverage which waived pre-existing condition limitations was in effect prior to the Prism EPO effective date, the pre-existing condition waiver will continue to be in effect.

8. *How do commissions apply to sales for groups that currently have an Empire small group product and also offer a portion of the group a Prism EPO product?*

Answer: The broker of record will receive 4% for the employees in a non-Prism EPO product and receive 5% for the employees in the Prism EPO product since it is a renewed group.

Please note: Only a new group that currently does not offer an Empire product will receive 6% commission.

9. *How many Empire products can a small group offer to their employees along side Empire Prism EPO products?*

Answer: A small group can offer three Empire products to their employees as long as one of them is an Empire Total Blue (HSA) product and all underwriting guidelines are met.

10. *How will Empire verify that it is the sole carrier offered by the small group?*

Answer: Empire has an active Group Integrity department and a rigorous front-end credentialing process and will request necessary documents to verify eligibility for Prism EPO products. If improper actions are found, Empire may terminate the group and/or its relationship with the Broker of record and take other actions Empire deems appropriate.