FrankCrum
PAYROLL • INSURANCE • BENEFITS • HR

AETNA MASTER PLAN: HEALTH UNDERWRITING GUIDELINES

Description	Rules/Guidelines	Exception/Parameters
Renewal Date	1-Nov	None
Plans Available	OA MC, OA EPO, PPO	None
Plan Availability by Network	EPO	Not Available in AK, HI, ID, MT, PR and SD
Plan Availability by Network	OA MC	Not Available in AK, HI, ID, MO, MT, PR and SD
Plan Availability by Network	PPO	Not Available in HI
Plan Offering Rules (# of Plans)	Allowed # of plans based on group size: • 5-9 eligible, shall not exceed 3 plan offerings • 10-24 eligible, shall not exceed 4 plan offerings • 25-49 eligible, shall not exceed 5 plan offerings • 50+ eligible, shall not exceed 6 plan offerings If an OOA plan is required, this plan will not count as one of the plan offerings.	None
Plan Offering Rules	Plan eligibility depends on zip code where the member resides. Members eligible for an MC or EPO plan are not eligible for the out-of-area PPO 1000/80. Indemnity OOA plans are available when a member resides in a zip code that falls outside of the Aetna EPO, OAMC, and PPO networks. Note: See the exception rule for those members residing in Missouri.	If a member's home zip code is located in Missouri, they can be offered EPO plans alongside the out-of-area PPO 1000/80 plan.
Virgin Medical	A virgin medical group is defined as a group that does not have a current group medical plan in place. Requires a minimum enrollment of 5 to qualify for AMP.	None
Virgin Group Census Requirement	A member-level census is required for all virgin medical groups. It must include: • Legal Last Name • Legal First Name • Gender • Date of Birth • Residential Zip Code • Full-Time/ Part-Time Status A post-enrollment audit will be performed on all virgin group submissions to validate final enrollment.	None
Non-Virgin Group Census Requirement	A dependent-level census is required for all non-virgin groups with current group insurance coverage. All employees on payroll must be listed (part- and full-time), in addition to any active COBRA participants.	None

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Group Health Questionnaire	Not required	None
Incumbent Plan Design Requirement	Required on all Aetna-to-Aetna quote requests at the time of benefit submission	A plan comparison will not be provided if incumbent plan designs are not provided at the time of the submission. Rates will not be released without incumbent Aetna plan designs and rates.
Renewal	Required if renewal is within 60 days before or following the proposed benefits effective date	None
Current Medical Rates - Invoice / Benefits Register	Required for non-virgin groups	Illustrative rates can be requested without providing current medical rates, invoice/benefits register only if a complete member or dependent-level census is provided at the time of submission. Plan comparisons cannot be provided without current medical rates invoice/benefits register. Aetna-to-Aetna quote requests will not be provided without current medical rates due to Aetna-to-Aetna parity. Illustrative rates expire 15 days from the date of quote, and current medical rates will be due for the final underwriting group.
Claims History	A minimum of 12 months of claims history is required at the time of the benefits submission for all groups with 100+ employees. A minimum of 12 months of claims history is required for all groups that are self-funded or level-funded, regardless of group size.	None
Participation	50% of all eligible employees	Rare exceptions will only be approved when all aspects of the group are favorable (e.g., good demo scores, industry, and CURV scoring). Exception requests are to be sent to Benefits Leadership for review. FCIA will produce an AMP quote for submissions showing 45% or greater participation on the census, contingent on the client meeting participation requirements at open enrollment. Variances identified post-open enrollment may prompt review and changes of rates and/or coverage.
Enrollment Minimums	A minimum of 5 enrolled employees is required. Groups that do not have a minimum of 5 members on their census at the time of submission are not eligible to be quoted for AMP.	FrankCrum may consider multiple eligible dependents (working at least 30 hours per week) under one family plan for minimum enrollment. Exception requests are to be sent to **BenefitsSales@FrankCrum.com** for review.
Employer Minimum Contribution	50% contribution of employee-only coverage of the lowest-cost medical plan offered by the client. Note: For ALE ACA, consider the published ACA affordability percentage.	None

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COBRA	Active COBRA participants must be included in the submitted census. Must have less than 10% of enrolled employees on COBRA or group will be DTQ due to COBRA participation.	None
Spin-Offs / Start-Up Groups	"Spin-Off Groups" are groups "spinning off" from a larger entity. "Start-Up Groups" are newly formed business ventures with at least 5 employees. Subject to virgin load in underwriting for groups that do not submit their full member-level census at the time of submission.	None
Aetna Parity Rule	Rates quoted to the prospect will be priced based on revenue neutrality to the prospect's in-force (or renewal rates) under the incumbent health care coverage. Aetna-to-Aetna rates quoted cannot vary from the in-force (or renewal) rates by more than 5% for Aetna non-PEO or Aetna PEO businesses. Non-Aetna-to-Aetna parity is not applied; all groups are to be rated to the true risk of the prospect. Note: Parity considers the actuarial value of plan design, plan types, and renewal date.	None
Proposal Expiration	Ninety days from the quote date, subject to data and documentation requirements and provisions. Upon expiration of the quote, the prospect will be required to submit new documents for underwriting review, including updated current census, current plan designs and medical rates, and renewal if applicable. Illustrative quotes expire 15 days from the quote issue date.	None
Non-Standard Forms	All census submissions are required to be submitted in Excel format with all required data fields indicated on the FrankCrum Census Template.	It is strongly encouraged to utilize the FrankCrum Census Template to ensure accuracy and quick turnaround times for quotes; however, we will accept alternative census forms in Excel format, provided all required data fields are included. Note: This can add additional turnaround time to the quoting process.
Decline To Quote (DTQ)	Some opportunities may not be a "fit" for the master plan based on demographics, or the inability to meet underwriting guidelines. A DTQ will be issued, and underwriting will do a "soft transfer" of information to FCIA benefit sales for an open market quote upon request made through HubSpot submission.	If a group is initially declined for not meeting minimum participation requirements can be reconsidered due to additional findings, exception requests are to be sent to **BenefitsSales@FrankCrum.com** for review.

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Turnaround Time (TAT)	When all documents for underwriting are submitted and verified with the census in Excel format with all required fields indicated on the FrankCrum Census Template or utilizing the FrankCrum Census Template, TAT is 2-3 business days for a benefits quote. For groups larger than 100 enrolled or group that is self-insured or level-funded, an additional 1-2 business days will be added to the TAT due to additional review requirements. If the group has more than 4 incumbent plans and a comparison is requested, an additional 1-2 days will be added to TAT. The peak Open Enrollment and Q4 seasons may result in slightly longer TATs.	See Rush Reviews
Aetna Underwriting Review	All groups over 100 employees will be required to be reviewed by the Benefits Director and VP of Leadership and by Aetna. Additional documentation may be requested, and additional 2-4 business days will be added to TAT.	None
Benefits Effective Date	Benefits must be effective on the 1st of the month following the client's start date. Note: Benefits must start on the 1st of a month (not mid-month).	Exception requests are to be approved by Benefits Leadership.
Franchise / Association Opportunities	If a franchise / association opportunity has common ownership, we may be able to underwrite the entire group as one deal with certain ownership parameters (typically at least 50% common ownership). The evaluation will be based on the ocation of the main headquarters (HQ). Validation of common ownership is required. If no common ownership exists, each deal will be underwritten independently and evaluated on its own merit.	None
Plan Situs	Florida	None
Management Carve-Outs	Aetna discourages writing management carve-outs on our master plan policy due to the negative risk they generally incur.	Rare exceptions will only be approved when all aspects of the group are favorable (e.g., good demo scores, industry, and CURV scoring). If FrankCrum leadership approves a management carve-out exception, all "managers" in this class must be clearly defined. The defined eligible population of this group must meet all requirements of any other population (i.e. a minimum of 5 enrolled employees, 50% of all eligible employees must be enrolled, a minimum of 50% employer contribution to the least expensive plan, COBRA, etc.) Exception requests are to be sent to Benefits Leadership for review. Note: If a prospect is an ALE and does not offer MEC/MVP to the remainder of its

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		population outside of the management carve-out, they will be subject to ACA regulations and fines. ACA Penalties: Part A (MEC)Penalty $2,880 per employee (Part A penalty is not assessed for the first 30 employees) Part B (MV) Penalty $4,320 per employee
Deductible Credit	During the current calendar year, upon request, credit will be given for any amounts applied toward the deductible under the prior group health insurance carrier's plan. The member is responsible for collecting and faxing over or uploading to their Aetna Member Portal the most recent EOB directly to Aetna for its review and approval.	None
Non-Paid Owners (NPO K-1s)	We will allow NPOs under the following criteria: Requires a separate benefit class (on benefits contract) with the client paying 100% of the benefits. Participants are eligible for all benefits except for Life and Disability. Benefits are post-tax (imputed income is not calculated). A paper enrollment process is required.	None
1099 Contractors	1099 contractors are not permitted or viewed as eligible employees. They are not allowed to participate in the Aetna master plan.	Exception requests are to be emailed to **BenefitsSales@FrankCrum.com** for review.
Post-Enrollment Audits	Each sold account will have a post-enrollment audit conducted. If there is an EE / Dependent variance of 10% or more detected from the initial census utilized to underwrite the group, the group will be subject to re-underwriting, which may result in repricing prior to the effective date of benefits coverage, if the final census changes result in greater group risk.	None
35% Spread Between Plan Offerings	Specific to plans offered for enrollment, the highest-cost plan and lowest-cost plan may not exceed more than a 35% difference in premium.	Aetna exceptions can be granted if the current offering exceeds guidelines. Other exceptions can be granted upon request and after review by health underwriting. Email exception requests to **BenefitsSales@FrankCrum.com**
Rush Reviews	Rush requests can be made to the underwriting team. These opportunities will be moved to the top of the queue. However, the turnaround time on other opportunities may be longer than expected.	Benefits Leadership must approve rush review exception requests.
Benefits Contract - Benefits Administration Summary (BAS)	All groups sold must sign our BAS contract between the client and FrankCrum that outlines their benefits contribution strategy and product offerings.	None
Client Reconsideration Waiting Period	Clients that are declined from our master plan or transition out involuntarily during Open Enrollment or any other time throughout the year, require a two-year	If a group is initially declined for not meeting minimum enrollment or participation requirements per the carrier rules and has the

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	waiting period prior to being reconsidered for the master plan through underwriting.	ability to be reconsidered, exception requests are to be emailed to **BenefitsSales@FrankCrum.com** for review.
Additional Control Groups	When adding new control groups to an existing client mid-year: Same FEIN (as existing client) – Underwriting will honor the current client medical rates if the new enrollment does not represent more than a 10% change in the total census and is the same industry type. If different medical pricing is proposed to the current client, health underwriting can evaluate pricing aggregation at the client's renewal. Different FEIN (as existing client) – New control groups will be underwritten independently and evaluated on their own merit.	Exception requests are to be emailed to **BenefitsSales@FrankCrum.com** for review.
Benefit Implementation Timeline	Minimum of 30 days prior to effective date	Exceptions may be granted, depending on the group's status, by submitting to the Benefits Management team. If approved, the group will be required to acknowledge and sign the Benefits Short Start Addendum.