# Administrative Policies for Groups

## Indiana State Medical Association Anthem Group Health Insurance

*We are pleased that you have chosen to place your office's Group health insurance plan with ISMA and Anthem. The purpose of this document is to help you keep your plan running smoothly. Please refer to the end of this publication for contact information if you have questions or need forms.*

## NEW EMPLOYEES AND PHYSICIANS

### *Anthem enrollment forms*

It is very important that you always have every new full-time employee complete an Anthem enrollment form, whether applying for or waiving coverage. Please check enrollment forms for missing information before faxing or mailing, as this could delay the start of coverage; forms must be signed within 60 days of the effective date. Enrollment forms are provided in your Group Health Insurance Administration Kit or are available from the ISMA Insurance department.

### *Effective date for new physicians*

New physicians are eligible for coverage immediately. If hired on the first day of a month the normal effective date is the hire date; otherwise the normal effective date is the first day of the month following the hire date.

### *Effective date for non-physicians*

New non-physicians are eligible for coverage after fulfilling their employer's designated waiting period, starting from their hire date. (Your group designates the waiting period annually on a Participating Unit Page, completed during the two-month period before your renewal date). If hired on the first day of a month, the normal effective date is the first day of the month in which the waiting period ends; otherwise the normal effective date is the first day of the month following the end of the waiting period. **Under no circumstance should an employee cancel their present health insurance coverage without prior notice of approval by the ISMA.**

### *Timely versus late applicants*

Ideally, ISMA will receive an enrollment form from a new employee 3 weeks before their normal effective date. This will allow time for processing so the new employee may receive their ID card, benefit booklet, etc. before their effective date. However, an applicant is considered "timely" if their enrollment form is completed, signed, mailed or faxed, and received by ISMA within 25 days after their normal effective date. An enrollee is considered "late" if the above time requirement is not met, and may start coverage only on your group's next annual renewal by submitting a completed Enrollment form to ISMA no later than one week before the renewal date.

Exception: All employees who submitted a signed waiver of coverage to ISMA when initially eligible for coverage can apply for this coverage within 31 days of a special qualifying event. Special qualifying events include loss of coverage due to legal separation, divorce, death, termination of employment, reduction of hours worked, employer stopped contributions or exhaustion of COBRA coverage.

### *Portability*

Any preexisting condition waiting period will be reduced by the aggregate of the periods of prior creditable coverage an employee had from: a group plan, Medicare, Medicaid, Indian Health Service, state risk pool, public health plan, individual insurance policy, or Peace Corps service. Prior coverage does not count as creditable if there was a break in coverage of 63 days or more prior to enrolling for coverage under this Plan.

### *Preexisting conditions*

No benefits will be paid for expenses incurred during the first 9 months after an employee's enrollment date (15 months for "late" enrollees), if those expenses result from a preexisting condition (but see ***Portability*** section, above). A preexisting condition is a condition (mental or physical) that was present and for which medical advice, diagnosis, care or treatment was recommended or received within the 6-month period ending on the enrollment date. Genetic information may not be used as a condition in the absence of a diagnosis. This waiting period does not apply to dental or to prescription drugs. Newborn and adopted children are exempt from this exclusion if they are covered under the Plan within thirty-one (31) days of the date of birth or placement for adoption. **Pregnancy is not considered a preexisting condition.**

### *To receive credit for prior coverage*

To receive credit for prior coverage against the preexisting condition waiting period, enrollees should obtain a **Certificate of Coverage** from every insurer that covered them during the past 15 months. Certificates of coverage should be either 1) submitted with enrollment form or, 2) if obtained after the enrollment form is submitted, faxed to Anthem Eligibility and Enrollment at 317-287-5724.

### *Preexisting notifications*

As required by HIPAA, Anthem issues a **Preexisting Notification** letter to every new insured. This letter does not state that the insured has or does not have any preexisting conditions. It simply states the enrollee's and dependents' effective dates, the number of credit days they have been provided based on Certificates of Coverage received with the enrollment form, and the Preexisting waiting period end date that will apply only to preexisting conditions – if there are any. If a Certificate of Coverage is faxed to Anthem after the initial **Preexisting Notification** letter is mailed, Anthem issues a revised letter after giving credit for prior coverage.

### *Certificates of Coverage*

Anthem issues a **Certificate of Coverage** whenever an insured deletes a dependent or terminates coverage. This Certificate can be provided to your new insurer to potentially receive credit against that plan's preexisting waiting period.

## WHO IS ELIGIBLE

**Physicians** who are members of the ISMA, their spouses, and unmarried children to the end of the calendar year in which the child attains age 26.

**Non-physicians employed by ISMA members** who work the required minimum number of hours designated by their employer's Participating Unit Page in a medical office or medically related facility, their spouses, and unmarried children based on the same requirements as children of physicians. Non-physician employees must fulfill the waiting period designated by their employer before becoming eligible for coverage.

**Employees of medical societies** who work at least 20 hours per week, their spouses, and their unmarried children based on the same requirements as children of physicians. Medical society employees must fulfill the waiting period designated by their employer before becoming eligible for coverage.

**Surviving spouses and children of deceased ISMA members**. Spouses are eligible for the rest of their lives unless they remarry; unmarried children based on the same requirements as children of physicians.

## DENTAL PLAN

Medical plan subscribers can optionally include dental coverage. Dental coverage cannot be purchased without medical coverage. Each physician can independently decide whether to include dental coverage. Non-physicians can include dental coverage if all non-physicians with medical coverage do so. If a subscriber elects dental coverage, that coverage will be included for the subscriber and all dependents covered with medical coverage; the subscriber cannot elect dental for only certain family members.

## EXTENSION OF ELIGIBILITY

### *Physicians*

A physician leaving your group may change to an Individual policy if he/she is an ISMA member. Individual policies provide exactly the same medical and dental benefits as group policies. Cost will be adjusted slightly. A physician may continue in the ISMA-sponsored health insurance program as long as he/she maintains ISMA membership. Retired members are exempt from membership dues. Non-retired physicians who leave the state of Indiana typically cannot continue ISMA membership, and therefore lose eligibility for health insurance at the end of the calendar year in which membership expires.

### *Non-physicians*

Retired non-physicians age 55 or over with at least 15 years of service with an ISMA member are eligible to remain in the ISMA-sponsored health insurance program for the rest of their lives (including Medicare Carve-out). To exercise this privilege, the retiring employee must provide the ISMA with a letter stating 1) the date on which he or she will retire, the number of years he or she has worked for one or more members of ISMA, and the address to which they want to be billed. They will retain the group's risk class, and will be changed to the "Individual" rate table, with a July 1 annual renewal date.

### *Disabled non-physicians*

Disabled non-physicians with less than one year employment are eligible for two months continuation of coverage; one to two years of employment, one year continuation of coverage; more than two years employment, two years continuation of coverage.

### *Unmarried children of insured ISMA members and of insured non-physician employees*

Unmarried children of insured ISMA members and of insured non-physician employees are eligible for separate policies from age 26 through December 31 of the year in which age 29 is attained, at the Member Only rate.

## COBRA CONTINUATION

COBRA is federally mandated for offices with 20 or more employees on payroll and requires that employers offer terminated employees continuation of coverage for 18 months. Divorced or surviving spouses of insureds must be offered continuation of coverage for 36 months. See policy booklet for complete explanation of provisions. ISMA issues COBRA continuation notices and election forms and provides copies to employers and dependents unless requested not to do so.

## CONVERSION POLICIES

For offices with less than 20 employees on payroll, terminated employees can contact ISMA in writing within 31 days after their termination date to request an offer for a conversion policy. Conversion policies provide exactly the same medical and dental benefits as group policies and can be continued indefinitely but cost 1.5 times as much.

## PARTICIPATION REQUIREMENTS

**For any Group to remain eligible**, participation is required of at least 75% of employees who 1) work the minimum number of hours per week required to obtain health insurance designated by the employer, and 2) are not covered through their spouse, and 3) are not covered by an employer-provided PPO or HMO. **Failure of any group to maintain 75% participation will result in the termination of coverage under this plan.** Additionally, groups with 50 or more employees must have at least 50% participation of the total number of employees.

## PREMIUM BILLING

Invoices are issued on the first day of the month and are due by the last day of the month for the following month's premiums. There is a 31-day grace period. Invoices include adjustments for prior periods when appropriate due to enrollment forms, changes and cancellations processed after the issue of prior invoices. Failure to pay premiums by the end of the grace period will result in termination of coverage retroactive to the date to which premiums have been paid.

## FOR MORE INFORMATION

Contact ISMA Health Insurance Department by phone at 317-261-2060 or toll-free at 800-257-4762. Or email us at tmartens@ismanet.org or jcollins@ismanet.org.