HealthNow New York Inc.
2015 New York State Public Exchange Rate Submission: Individual Off Exchange
Rate Manual Index
Rates Effective 1/1/2015

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Overview:

The rates contained within this rate manual are for use on the New York State Public Health Insurance Exchange in the individual off exchange market. The individual medical and pharmacy rates are effective 1/1/2015 through 12/31/2015 and expire on 12/31/2015. The county the individual is located in from the region definition should be used to pick the applicable regional rate. Commissions are payable according to HealthNow filed schedules. Underwriting guidelines can be found in the HealthNow underwriting guidelines document. The rates included in this rate manual are filed under HealthNow SERFF number HLTH-129576797 and policy form numbers: CN1C3S0453_0614 and CR1R3N0443A_0614. The projected loss ratio for the individual market is 94.4%.

Region Definition:

Off Exchange

Region	Counties	Geographic Factor
1	Albany, Columbia, Fulton, Greene, Montgomery, Rensselaer, Saratoga, Schenectady, Warren, Washington	1.311
2	Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Niagara, Orleans, Wyoming	0.940
5	Monroe, Wayne	0.940
6	Chemung, Onondaga	1.311
7	Clinton, Essex, Oswego	1.434
1A	Albany, Rensselaer, and Saratoga.	1.195
2A	Erie and Niagara.	0.950

Notes:

1. Regions #1, #5, #6, and #7 include more counties than listed but HealthNow will only participate within the listed counties.

Benefit Summary - Individual Plans:

Available in individual market for specified regions.

All Regions

Benefit	Cost Share By Plan - In-Network															
Medal	Platinum	Platinum	Platinum		Platinum	Gold	Gold		Gold	Silver	Silver		Silver	Bronze	Bronze	Bronze
Plan	Platinum Standard	Platinum POS	Platinum 250**		Platinum POS 110	Gold Standard	Gold 850**		Gold Aqua	Silver Standard	Silver 2000**		Silver POS 7100	Bronze Standard	Bronze Value	Bronze POS 8100EX
			Tier 1	Tier 2			Tier 1	Tier 2			Tier 1	Tier 2				
Region	#2	#2	#2	#2	#2	#2	#2	#2	#2	#2	#2	#2	#2	#2	#2	#2
Standard/ NonStandard	Standard	Standard	Non-Standard	Non-Standard	Non-Standard	Standard	Non-Standard	Non-Standard	Non-Standard	Standard	Non-Standard	Non-Standard	Non-Standard	Standard	Non-Standard	Non-Standard
Availability	Both	Off Exchange	Both	Both	Both	Both	Both	Both	Both	Both	Both	Both	Both	Both	Both	Both
AV	88%	88%	88%	88%	89%	79%	78%	78%	82%	71%	69%	69%	69%	62%	62%	61%
First Dollar	0%	0%	0%	0%	0%	0%	0%	0%	$500	0%	0%	0%	0%	0%	0%	0%
Deductible (single)	0%	0%	$250	$450	0%	$600	$850	$1,700	$1,000	$2,000	$2,000	$3,000	$1,500	$3,000	$6,600	$4,000
OOP Maximum (single)	$2,000	$2,000	$6,600	$6,600	$4,000	$4,000	$6,600	$6,600	$5,000	$5,500	$6,000	$6,000	$5,000	$6,350	$6,600	$6,450
Network	Local	Local	Local	Local	Local	Local	Local	Local	Local	Local	Local	Local	Local	Local	Local	Local
Deductible Applies to Rx	No	No	Yes	Yes	No	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Embedded Deductible	No	No	No	No	No	Yes	No	No	No	Yes	No	No	No	Yes	No	No
Inpatient Hospital																
ASA Rehab	$500	$500	8%	10%	$500	$1,000	15%	25%	20%*	$1,500	35%	50%	$750	50%	0%	20%
Detox	$500	$500	8%	10%	$500	$1,000	15%	25%	20%*	$1,500	35%	50%	$750	50%	0%	20%
Maternity	$500	$500	8%	10%	$500	$1,000	15%	25%	20%*	$1,500	35%	50%	$750	50%	0%	20%
Med/Surg	$500	$500	8%	10%	$500	$1,000	15%	25%	20%*	$1,500	35%	50%	$750	50%	0%	20%
Mental Health	$500	$500	8%	10%	$500	$1,000	15%	25%	20%*	$1,500	35%	50%	$750	50%	0%	20%
Newborn	$500	$500	8%	10%	$500	$1,000	15%	25%	20%*	$1,500	35%	50%	$750	50%	0%	20%
SNF	$500	$500	8%	10%	$500	$1,000	15%	25%	20%*	$1,500	35%	50%	$750	50%	0%	20%
Outpatient Facility																
Preventive*	0%	0%	0%*	0%*	0%	0%*	0%*	0%*	0%*	0%*	0%*	0%*	0%*	0%*	0%*	0%*
Abortion - Elective	$100	$100	8%	10%	$150	$100	15%	25%	20%	$100	35%	50%	$150	50%	0%	25%
Abortion - Non Elective	$100	$100	8%	10%	$150	$100	15%	25%	20%	$100	35%	50%	$150	50%	0%	25%
Cardiology	$15	$15	8%	10%	$20	$25	15%	25%	20%	$30	35%	50%	$25	50%	0%	20%
Chemotherapy	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Diagnostic	$35	$35	8%	10%	$30	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	20%
Dialysis	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Emergency Room	$100	$100	8%	8%	$100	$150	15%	15%	20%	$150	20%	20%	$150	50%	0%	20%
Home Health	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Hospice	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Infusion Therapy	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Laboratory Tests	$35	$35	0%	10%	0%	$40	0%	25%	20%	$50	0%	50%	$40	50%	0%	20%
Mental Health / Substance Abuse	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Outpatient Surgery	$100	$100	8%	10%	$150	$100	15%	25%	20%	$100	35%	50%	$150	50%	0%	20%
Pre-Admission Testing	0%	0%	8%	10%	0%	0%	15%	25%	0%	0%	35%	50%	0%	50%	0%	0%
PT / OT / ST	$25	$25	8%	10%	$20	$30	15%	25%	20%	$30	$5	$30	$25	50%	0%	20%
Radiation Therapy	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Radiology	$35	$35	8%	10%	$30	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	20%
Radiology - Advanced	$35	$35	8%	10%	$30	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	20%
Urgent Care	$55	$55	$55	$55	$40	$60	$60	$60	20%	$70	$70	$70	$75	50%	0%	20%
Other	$35	$35	8%	10%	$30	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	20%
Professional																
Preventive*	0%	0%	0%*	0%*	0%	0%*	0%*	0%*	0%*	0%*	0%*	0%*	0%*	0%*	0%*	0%*
Office/Home Visit - PCP	$15	$15	8%	10%	$20	$25	15%	25%	20%	$30	$5	$30	$25	50%	$5*	20%
Office/Home Visit - SCP	$35	$35	8%	10%	$30	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	20%
Abortion - Elective	$35	$35	8%	10%	$25	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	25%
Abortion - Non Elective	$35	$35	8%	10%	$25	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	25%
Advanced Radiology	$35	$35	8%	10%	$25	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	20%
Allergy Shots	$25	$25	8%	10%	$25	$33	0%	0%	20%	$40	35%	50%	$33	50%	0%	20%
Allergy Tests	$25	$25	8%	10%	$25	$33	15%	25%	20%	$40	35%	50%	$33	50%	0%	20%
Ambulance	$100	$100	$200	$200	$100	$150	$200	$200	20%	$150	35%	50%	$150	50%	0%	20%
Anesthesia	0%	0%	8%	10%	0%	0%	15%	25%	20%	0%*	35%	50%	$40	50%	0%	20%
Cardiovascular	$15	$15	8%	10%	$20	$25	15%	25%	20%	$30	35%	50%	$25	50%	0%	20%
Chemotherapy	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Chiropractic	$35	$35	8%	10%	$20	$40	15%	25%	20%	$50	$5	$30	$25	50%	0%	20%
Consults	$25	$25	8%	10%	$25	$33	15%	25%	20%	$40	0%*	0%	$33	50%	0%	25%
Diabetic Drugs/Supplies	$15	$15	8%	10%	$20	$25	15%	25%	20%*	$30	$5	$30	$25	50%	0%	20%
Diabetic Education	$15	$15	8%	10%	$20	$25	15%	25%	20%*	$30	$5	$30	$25	50%	0%	20%
Dialysis	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	0%	50%	0%	20%
DME and Supplies	10%	10%	50%	50%	50%	20%	50%	50%	20%	30%	50%	50%	50%	50%	0%	20%
Facility Visits	$25	$25	8%	10%	$25	$33	15%	25%	20%	$40	35%	50%	$33	50%	0%	20%
Hearing Aid	10%	10%	50%	50%	50%	20%	50%	50%	20%	30%	50%	50%	50%	50%	0%	20%
Hearing Exam	$35	$35	8%	10%	$30	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	20%
Home Care	$15	$15	8%	10%	$30	$33	15%	25%	20%	$40	35%	50%	$33	50%	0%	20%
Maternity	$15	$15	8%	10%	0%	$25	15%	25%	0%	$30	$5	$30	0%	50%	0%	0%
Mental Health	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Office-Administered Drugs	$35	$35	8%	10%	$30	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	20%
Pathology / Laboratory	$35	$35	0%	10%	0%	$40	0%	25%	20%	$50	0%	50%	$40	50%	0%	20%
PT/OT/ST	$25	$25	8%	10%	$20	$30	15%	25%	20%	$30	$5	$30	$25	50%	0%	20%
Radiation Therapy	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Radiology	$35	$35	8%	10%	$30	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	20%
Substance Abuse	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Surgery - Facility (IP)	0%	0%	8%	10%	0%	0%	15%	25%	20%	0%	35%	50%	0%	50%	0%	25%
Surgery - Facility (OP)	0%	0%	8%	10%	$30	0%	15%	25%	20%	0%	35%	50%	$40	50%	0%	20%
Surgery - Office	$25	$25	8%	10%	$25	$33	15%	25%	20%	$40	35%	50%	$33	50%	0%	20%
Vision - Exam	$15	$15	8%	10%	$30	$25	15%	25%	20%	$30	35%	50%	$40	50%	0%	20%
Vision - Lenses & Frames	10%	10%	10%	10%	$30	20%	20%	20%	20%	30%	30%	30%	$40	50%	0%	20%
Other	$35	$35	8%	10%	$30	$40	15%	25%	20%	$50	35%	50%	$40	50%	0%	20%
Drug																
Generic	$10	$10	$2*	$2*	$5	$10*	$5*	$5*	$15*	$10*	$5*	$5*	$5	$10	$10*	$5
Brand	$30	$30	20%	20%	$30	$35*	30%	30%	$50*	$35*	50%	50%	$30	$35	0%	$30
Non Formulary	$60	$60	20%	20%	50%	$70*	30%	30%	50%*	$70*	50%	50%	50%	$70	0%	50%
Supplies	10%	10%	50%	50%	50%	20%	50%	50%	20%	30%	50%	50%	50%	50%	0%	20%
Out of Network																
First Dollar	N/A	0%	N/A	N/A	0%	N/A	N/A	N/A	$500	N/A	N/A	N/A	0%	N/A	N/A	0%
Deductible (single)	N/A	$1,000	N/A	N/A	$1,500	N/A	N/A	N/A	$1,000	N/A	N/A	N/A	$1,500	N/A	N/A	$4,000
Coinsurance (Member)	N/A	20%	N/A	N/A	40%	N/A	N/A	N/A	50%	N/A	N/A	N/A	40%	N/A	N/A	40%
OOP Maximum (single)	N/A	$3,000	N/A	N/A	$4,000	N/A	N/A	N/A	$10,000	N/A	N/A	N/A	$10,000	N/A	N/A	$10,000

*Deductible does not apply.
Deductible applies to all non-Rx services on all plans (except preventive or other indicated services).
Deductible applies to Rx where specified.
**Plan includes 2 PCP additions at $0 cost sharing in addition to preventive services.
There are no pediatric dental benefits on the above plans.
Non-single deductible and OOP Maximum are at 2X single amounts.

Benefit Summary - Individual Plans:

Available in individual market for specified regi

All Regions

Benefit	Cost Share By Plan - In-Network								
Medal	**Platinum**	**Platinum**	**Platinum**	**Gold**	**Gold**	**Silver**	**Silver**	**Bronze**	**Bronze**
Plan	Platinum Standard	Platinum POS	Platinum 267***	Gold Standard	Gold Aqua	Silver Standard	Silver HDHP-HSA 269	Bronze Standard	Bronze HDHP-HSA 270
Region	#1 and #7	#1 and #7	#1 and #7	#1 and #7	#1 and #7	#1 and #7	#1 and #7	#1 and #7	#1 and #7
Standard/ NonStandard	Standard	Standard	Non-Standard	Standard	Non-Standard	Standard	Non-Standard	Standard	Non-Standard
Availability	Both	Off Exchange	Both	Both	Both	Both	Both	Both	Both
AV	88%	88%	91%	79%	79%	71%	68%	62%	59%
First Dollar	0%	0%	0%	0%	$500	0%	0%	0%	0%
Deductible (single)	0%	0%	0%	$600	$2,000	$2,000	$2,000	$3,000	$5,000
OOP Maximum (single)	$2,000	$2,000	$6,600	$4,000	$5,000	$5,500	$6,450	$6,350	$6,450
Network	Local	Local	Local	Local	Local	Local	Local	Local	Local
Deductible Applies to Rx	No	No	No	No	No	No	Yes	Yes	Yes
Embedded Deductible	No	No	No	Yes	No	Yes	No	Yes	No
Inpatient Hospital									
ASA Rehab	$500	$500	$150	$1,000	20%*	$1,500	20%	50%	20%
Detox	$500	$500	$150	$1,000	20%*	$1,500	20%	50%	20%
Maternity	$500	$500	$150	$1,000	20%*	$1,500	20%	50%	20%
Med/Surg	$500	$500	$150	$1,000	20%*	$1,500	20%	50%	20%
Mental Health	$500	$500	$150	$1,000	20%*	$1,500	20%	50%	20%
Newborn	$500	$500	$150	$1,000	20%*	$1,500	20%	50%	20%
SNF	$500	$500	$150	$1,000	20%*	$1,500	20%	50%	20%
Outpatient Facility									
Preventive*	0%	0%	0%	0%*	0%*	0%*	0%*	0%*	0%*
Abortion - Elective	$100	$100	$150	$100	20%	$100	20%	50%	20%
Abortion - Non Elective	$100	$100	$150	$100	20%	$100	20%	50%	20%
Cardiology	$15	$15	$25	$25	20%	$30	20%	50%	20%
Chemotherapy	$15	$15	$25	$25	20%	$30	20%	50%	20%
Diagnostic	$35	$35	$25	$40	20%	$50	20%	50%	20%
Dialysis	$15	$15	$25	$25	20%	$30	20%	50%	20%
Emergency Room	$100	$100	$100	$150	20%	$150	20%	50%	20%
Home Health	$15	$15	$25	$25	20%	$30	20%	50%	20%
Hospice	$15	$15	$25	$25	20%	$30	20%	50%	20%
Infusion Therapy	$15	$15	$25	$25	20%	$30	20%	50%	20%
Laboratory Tests	$35	$35	$25	$40	20%	$50	20%	50%	20%
Mental Health / Substance Abuse	$15	$15	$25	$25	20%	$30	20%	50%	20%
Outpatient Surgery	$100	$100	$150	$100	20%	$100	20%	50%	20%
Pre-Admission Testing	0%	0%	0%	0%	0%	0%	0%	50%	0%
PT / OT / ST	$25	$25	$25	$30	20%	$30	20%	50%	20%
Radiation Therapy	$15	$15	$25	$25	20%	$30	20%	50%	20%
Radiology	$35	$35	$25	$40	20%	$50	20%	50%	20%
Radiology - Advanced	$35	$35	$25	$40	20%	$50	20%	50%	20%
Urgent Care	$55	$55	$75	$60	20%	$70	20%	50%	20%
Other	$35	$35	$25	$40	20%	$50	20%	50%	20%
Professional									
Preventive*	0%	0%	0%	0%*	0%*	0%*	0%*	0%*	0%*
Office/Home Visit - PCP	$15	$15	$25	$25	20%	$30	20%	50%	20%
Office/Home Visit - SCP	$35	$35	$25	$40	20%	$50	20%	50%	20%
Abortion - Elective	$35	$35	$25	$40	20%	$50	20%	50%	20%
Abortion - Non Elective	$35	$35	$25	$40	20%	$50	20%	50%	20%
Advanced Radiology	$35	$35	$25	$40	20%	$50	20%	50%	20%
Allergy Shots	$25	$25	$25	$33	20%	$40	20%	50%	20%
Allergy Tests	$25	$25	$25	$33	20%	$40	20%	50%	20%
Ambulance	$100	$100	$100	$150	20%	$150	20%	50%	20%
Anesthesia	0%	0%	$25	0%	20%	0%*	20%	50%	20%
Cardiovascular	$15	$15	$25	$25	20%	$30	20%	50%	20%
Chemotherapy	$15	$15	$25	$25	20%	$30	20%	50%	20%
Chiropractic	$35	$35	$25	$40	20%	$50	20%	50%	20%
Consults	$25	$25	$25	$33	20%	$40	20%	50%	20%
Diabetic Drugs/Supplies	$15	$15	$25	$25	20%*	$30	20%	50%	20%
Diabetic Education	$15	$15	$25	$25	20%*	$30	20%	50%	20%
Dialysis	$15	$15	$25	$25	20%	$30	20%	50%	20%
DME and Supplies	10%	10%	50%	20%	20%	30%	20%	50%	20%
Facility Visits	$25	$25	$25	$33	20%	$40	20%	50%	20%
Hearing Aid	10%	10%	50%	20%	20%	30%	20%	50%	20%
Hearing Exam	$35	$35	$25	$40	20%	$50	20%	50%	20%
Home Care	$15	$15	$25	$33	20%	$40	20%	50%	20%
Maternity	$15	$15	$25	$25	20%	$30	20%	50%	20%
Mental Health	$15	$15	$25	$25	20%	$30	20%	50%	20%
Office-Administered Drugs	$35	$35	$25	$40	20%	$50	20%	50%	20%
Pathology / Laboratory	$35	$35	$25	$40	20%	$50	20%	50%	20%
PT/OT/ST	$25	$25	$25	$30	20%	$30	20%	50%	20%
Radiation Therapy	$15	$15	$25	$25	20%	$30	20%	50%	20%
Radiology	$35	$35	$25	$40	20%	$50	20%	50%	20%
Substance Abuse	$15	$15	$25	$25	20%	$30	20%	50%	20%
Surgery - Facility (IP)	0%	0%	0%	0%	20%	0%	20%	50%	20%
Surgery - Facility (OP)	0%	0%	$25	0%	20%	0%	20%	50%	20%
Surgery - Office	$25	$25	$25	$33	20%	$40	20%	50%	20%
Vision - Exam	$15	$15	$25	$25	20%	$30	20%	50%	20%
Vision - Lenses & Frames	10%	10%	$25	20%	20%	30%	20%*	50%	20%*
Other	$35	$35	$25	$40	20%	$50	20%	50%	20%
Drug									
Generic	$10	$10	$4	$10*	$10*	$10*	$4	$10	$4
Brand	$30	$30	$30	$35*	$35*	$35*	$35	$35	$50
Non Formulary	$60	$60	$50	$70*	$70*	$70*	$70	$70	$80
Supplies	10%	10%	50%	20%	20%	30%	20%	50%	20%
Out of Network									
First Dollar	N/A	0%	0%	N/A	0%	N/A	0%	N/A	0%
Deductible (single)	N/A	$1,000	$5,000	N/A	$5,000	N/A	$5,000	N/A	$5,000
Coinsurance (Member)	N/A	20%	50%	N/A	50%	N/A	50%	N/A	50%
OOP Maximum (single)	N/A	$3,000	$10,000	N/A	$10,000	N/A	$10,000	N/A	$10,000

*Deductible does not apply.
Deductible applies to all non-Rx services on all plans (except preventive or other indicated services).
Deductible applies to Rx where specified.
***Plan includes 3 PCP additions for adults and all pediatric PCP visits at $0 cost sharing in addition to preventive services.
There are no pediatric dental benefits on the above plans.
Non-single deductible and OOP Maximum are at 2X single amounts.

Individual Rates Effective 2015:

Tier Rates Region #2:
The Platinum POS, Gold Standard, Silver Standard, and Bronze Standard plans are available in Region #5 at the same rates as Region #2.

	Age	Platinum Standard	Platinum POS	Platinum 250	Platinum POS 110	Gold Standard	Gold 850	Gold Aqua	Silver Standard	Silver 2000	Silver POS 7100	Bronze Standard	Bronze Value	Bronze POS 8100EX
Child Only	26	241.04	226.97			207.67			178.13			145.20		
Single	26	585.04	550.90	503.42	541.48	504.05	408.64	471.72	432.35	341.75	399.35	352.44	278.95	340.84
	30	591.94	557.39	509.37	547.86	509.99	413.46	477.29	437.45	345.79	404.06	356.61	282.24	344.87
2 Person	26	1170.08	1101.80	1006.84	1082.96	1008.10	817.28	943.44	864.70	683.50	798.70	704.88	557.90	681.68
	30	1183.88	1114.78	1018.74	1095.72	1019.98	826.92	954.58	874.90	691.58	808.12	713.22	564.48	689.74
Sub + Child(ren)	26	994.57	936.53	855.82	920.52	856.88	694.69	801.92	735.00	580.98	678.89	599.15	474.22	579.43
	30	1006.30	947.56	865.93	931.36	866.98	702.88	811.39	743.66	587.84	686.91	606.23	479.81	586.28
Family	26	1667.37	1570.07	1434.74	1543.22	1436.54	1164.63	1344.41	1232.20	973.99	1138.15	1004.46	795.01	971.40
	30	1687.03	1588.56	1451.70	1561.40	1453.47	1178.37	1360.28	1246.74	985.51	1151.57	1016.34	804.39	982.88

Tier Rates Region #1:
The Platinum POS, Gold Standard, Silver Standard, and Bronze Standard plans are available in Region #6 at the same rates as Region #1.

	Age	Platinum Standard	Platinum POS	Platinum 267	Gold Standard	Gold Aqua	Silver Standard	Silver HDHP-HSA 269	Bronze Standard	Bronze HDHP-HSA 270
Child Only	26	295.32	291.04		253.38		215.84		175.28	
Single	26	716.81	706.39	628.63	614.98	510.68	523.87	432.66	425.43	352.82
	30	725.27	714.73	636.04	622.23	516.71	530.05	437.77	430.46	357.00
2 Person	26	1433.62	1412.78	1257.26	1229.96	1021.36	1047.74	865.32	850.86	705.64
	30	1450.54	1429.46	1272.08	1244.46	1033.42	1060.10	875.54	860.92	714.00
Sub + Child(ren)	26	1218.58	1200.87	1068.67	1045.47	868.15	890.58	735.53	723.23	599.80
	30	1232.96	1215.04	1081.27	1057.79	878.40	901.09	744.21	731.78	606.90
Family	26	2042.91	2013.21	1791.60	1752.70	1455.44	1493.03	1233.08	1212.48	1005.54
	30	2067.02	2036.98	1812.71	1773.35	1472.63	1510.64	1247.64	1226.81	1017.45

Tier Rates Region #7:

	Age	Platinum Standard	Platinum POS		Gold Standard		Silver Standard		Bronze Standard	
Child Only	26	320.70	316.01		274.88		233.98		189.74	
Single	26	778.39	767.01		667.18		567.91		460.54	
	30	787.57	776.05		675.05		574.62		465.97	
2 Person	26	1556.78	1534.02		1334.36		1135.82		921.08	
	30	1575.14	1552.10		1350.10		1149.24		931.94	
Sub + Child(ren)	26	1323.27	1303.92		1134.21		965.45		782.91	
	30	1338.87	1319.29		1147.59		976.86		792.15	
Family	26	2218.41	2185.97		1901.46		1618.54		1312.54	
	30	2244.58	2211.74		1923.89		1637.66		1328.01	

HEALTHNOW NEW YORK, INC.
GROUP UNDERWRITING GUIDELINES

Effective January 1, 2014

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Terms and Abbreviations

Article 43 – Trad, PPO, EPO, POS

Article 44 – HMO[a]

EPO – Exclusive Provider Organization

HealthNow – HealthNow New York, Inc.

HDHP – High Deductible Health Plan

HMO – Health Maintenance Organization

MC – Managed Care

POS – Point of Service

PPO – Preferred Provider Organization

Trad – Traditional Indemnity Product

a – Also includes HMO-based products with out of network benefits

1.0 Group Documentation

NOTE: All documentation must be received and verified before any coverage is issued

1.1 The group must produce documentation at time of enrollment that proves existence and active involvement in doing business. Groups must have a physical location in our service area. We require a physical address (not a P.O. Box) for a group address.

Table 1: Forms of Documentation

Required Documentation[a]	Alternate Forms of Documentation[b]	
NYS-45	• **Schedule C** • **Schedule E** • **Schedule F** • **Schedule K-1** • **Schedule 1065**	• **Schedule 1120 C** • **Schedule 1120 E** • **Schedule 1120 S** • **Form IT-204**
Documentation for new businesses may include a copy of a business bank statement, a cancelled business check, assignment of an EIN number, or other appropriate tax documents that demonstrate eligibility.[c]		

[a] Additional documentation may be required to prove eligibility of new subscribers. People not listed on the most recent ATT-45 form will not be accepted for group coverage from HealthNow unless alternate documentation is submitted. For new employees, alternate documentation may include the last 2 weeks of pay stubs or a copy of the group's payroll including payroll for those new employees. For COBRA and retirees, the last applicable NYS-45, payroll, or pension records will be accepted to establish eligibility.

[b] If a NYS-45 is not available, these alternate forms or any combination thereof may be accepted in lieu of the required documentation. In such instances, a NYS-45 will be required within 90 days.

[c] Two months of premium must be submitted on a company check with the enrollment paperwork and subscriber applications to Underwriting for approval prior to enrollment.

1.2 All new groups may be subject to an on-site inspection by a HealthNow Representative prior to the initial enrollment in order to qualify the group's ability to meet HealthNow Group Eligibility Requirements.

1.3 The employees of a multiple location group within the HealthNow service area may be combined to determine the size of the group. Employees in locations outside of the HealthNow service area will be counted in determining group size if they are eligible for HealthNow coverage. If requested, a multiple location group purchasing coverage can enroll only the employees who reside within the HealthNow service area and only in products that adhere to the guidelines set forth in Table 2. These groups must have a facility or office in the service area. The facility or office may be classified as a separate and distinct entity.

1.4 Certain definable segments in a group may be considered for enrollment as a group when all other Employer-Employee Eligibility requirements are met and the request is from the group. A segment of a group is defined as a classification of employees from a group who are clearly distinguished from all other employees for reasons other than obtaining HealthNow health insurance coverage. For example: all salaried employees, all hourly employees, all employees in a specific location, employees of distinct entities acquired by merger or any combination of these segments.

2.0 Employee Documentation for Group Coverage

NOTE: Employee documentation may be requested at any time and is subject to verification

2.1 Upon request, the group will be required to provide verification that all persons electing group coverage are actually employed by the group.

2.2 Full time employees or part time employees working a minimum of 20 hours per week or more for six or more months per year are eligible for coverage. Groups may choose to impose a higher requirement for hours for part time employees.

2.3 Partners, shareholders, officers, owners, directors, and proprietors will be eligible only when devoting their services on a full-time basis to the business by working a minimum of 20 hours per week. These individuals must supply evidence that they work 20 hours per week, such as pay stubs, draws on a company account in lieu of payroll, and/or personal income tax records.

2.4 Retiree coverage:

- Retirees are persons previously employed by the group immediately prior to the time they cease to be an active employee.
- If a group desires to offer coverage to its retirees as well as the currently active employees, we will insure the retirees as well as the active employees.
- [Commercial Products Only] If a group has coverage for both active employees and retirees and opts to terminate coverage for the active employees, the retiree coverage will also be terminated.
- In situations where dual carriers exist, both are required by law to offer plans to retirees in accordance with the requirements set forth in Table 2.
- The employer must make some contribution to the cost of retiree coverage except if the employer makes no contribution to the cost of active employee coverage.
- Groups may be required, upon request, to provide proof that the retirees were in fact previously active employees of the group immediately before retirement.
- New groups which consist solely of retirees will not be offered coverage.

3.0 Individual Market and Individual Documentation

3.1 The individual market consists of persons who are not enrolled through groups. Sole proprietors will be considered part of the individual market.

4.0 Chambers of Commerce/Association Groups (Small Group Only)

4.1 HealthNow will not accept any new Chambers or Associations, but those Chambers or Associations that HealthNow currently insures may continue. For those Chambers and Associations that continue, groups may be added or terminated within the Chamber or Association, and subscribers within those constituent groups may be added or terminated as well – subject to the rules below.

4.2 HealthNow must verify that each of the groups joining the Chamber or Association are actively engaged in their business. The same documentation needed for a group enrolling directly with us will be required for groups joining a Chamber or Association. All underwriting rules will be applied at the individual group level; that is, for a Chamber, each group joining through the Chamber is subject to the same underwriting criteria as if the group had purchased directly from HealthNow.

4.3 Chambers and Associations may offer up to two products.

5.0 Group Participation, Location, and Contribution Requirements

NOTE: All groups are subject to review at any time by HealthNow to ensure that they meet group eligibility requirements

5.1 The group requirements contained in this section establish the basic criteria used by HealthNow to determine which groups will be accepted for enrollment and which groups will be allowed to continue subsequent to initial enrollment.

5.2 HealthNow reserves the right to deny initial or continued enrollment to a group which does not meet the group eligibility requirements. HealthNow also reserves the right to terminate a group, upon appropriate notice as specified by the insurance contract, if group eligibility requirements are not met and maintained.

5.3 For new large group experience rated business, groups will be required to indicate employer contribution levels, either as a dollar amount or as a percentage of premium. This will be required at both initial enrollment and renewal.

5.4 Participation calculations are applied at two different levels and are determined by counting active employees and retirees on a combined basis as if they were all one group or category.

The first level is to determine participation in HealthNow products. To calculate, HealthNow divides the number of employees seeking commercial health insurance through HealthNow by the total number of eligible employees excluding those who have coverage through a spouse.

The second level is to determine overall participation. To calculate, HealthNow divides the number of employees seeking commercial health insurance through HealthNow by the total number of eligible employees. The total number of eligible employees in this calculation includes employees who have coverage through a spouse.

Group Participation Example

(A)	Total Employees	100
(B)	Eligible Employees	86
(C)	Spousal Waivers	7
(D)	Employees Enrolling with BlueCross BlueShield	65
(E)	Employees Enrolling with another carrier	10
(F)	Employees Declining Coverage	4

(F) = (B) - (C) - (D) - (E)

Line (E) applicaple to Community Rated slice offerings ONLY

Test 1: Participation in BlueCross BlueShield Products

$$\text{Participation \%} = \frac{(D)}{[(B) - (C) - (E)]} \geq 50\% \text{ (CR)}, 75\% \text{ (ER)}$$

$$\text{Participation \%} = \frac{65}{[86 - 7 - 10]} = 94.2\% \checkmark$$

Test 2: Overall Participation

$$\text{Participation \%} = \frac{(D)}{(B)} \geq 75\% \text{ (CR)}, 50\% \text{ (ER)}$$

$$\text{Participation \%} = \frac{65}{86} = 75.6\% \checkmark$$

5.6 All eligible employees must reside in our service area to be able to offer an Article 44 product.

5.7 Groups must be located within HealthNow's service area to be eligible for coverage. For groups with multiple locations, the group's headquarters must reside in HealthNow's service area to be eligible for coverage.

5.8 Participation requirements for retirees are outlined in Table 2. These requirements must be satisfied only when the active employees and retirees are in distinct products. For example, if a group enrolls in one product for the active employees, and chooses a separate product for their retiree class, then the requirements must be satisfied.

Table 2: Group Participation, Location, and Contribution Requirements

	Small Group Community Rated 50 or Fewer Eligible Employees	Large Group Community Rated 51+ Eligible Employees	Large Group Experience Rated 51+ Eligible Employees
Subscribers must be actively at work (employee absent or on leave is not eligible until returns to normal duties of employment for a specified period of time):			
Article 44	No	Yes	Not Applicable
Article 43	No	Yes	Yes
Maximum Percentage of Group Classified as Retirees			
Article 44	No Maximum	50%	Not Applicable
Article 43	No Maximum	50%	50%
Minimum Retiree Participation			
Article 44	No Minimum	50%	Not Applicable
Article 43	No Minimum	50%	50%

a Experience Rated does not exist with another carrier

6.0 Open Enrollment Policies

6.1 The employer must not inhibit free movement of eligible employees at either the initial enrollment period or at any subsequent open enrollment period. The employer must not take any action which could be interpreted as encouraging adverse selection against HealthNow.

6.2 At time of the initial enrollment, if there is a current carrier and a dependent or subscriber is confined to a hospital, the prior carrier shall pay the claims associated with the hospital confinement as required by applicable benefits-after-termination laws.

6.3 Groups are required to have one specified annual open enrollment period. The open enrollment will apply to all HealthNow products. A second open enrollment period (special open enrollment) may be permitted with the prior approval of HealthNow.

6.4 If a special open enrollment is offered for any carrier because of a change in rates, benefits, and/or delivery system, then HealthNow must also be offered the opportunity to make similar changes in benefits, rates, and/or delivery system, and to participate in the open enrollment.

6.5 Enrollment of a group is contingent upon receiving complete, appropriate paperwork (including a signed group agreement) a minimum of 15 business days (for Community Rated) or 30 business days (for Experience Rated) prior to the effective date of the group. Failure to provide this advance notice may result in the movement of the group's effective date to the first of the following month.

6.6 Any change in the HealthNow benefit package inclusive of all products, including but not limited to rating tier structure, which is not coincident with the group's anniversary date must have the prior approval of HealthNow.

6.7 Benefit enhancements are not permitted off of a group's anniversary date except due to matching circumstances. However, Dental coverage may be added at any time to any group. The group's anniversary date for medical coverage will then be the anniversary date for all of the group's coverage. If a group adds a new segment (class: an additional set of distinct employees) off anniversary, the rates and effective date will not change for the existing segment(s). The new segment(s) will receive the rates applicable on their enrollment date.

6.8 Eligible employees/retirees may only enter the plan during the open enrollment period of each year or within 30 days of first becoming eligible. Entry will not be permitted at any other time during the year except in accordance with 11 NYCRR Section 360.3 (a)(9)(i-iii) or Section 4305(K)(5)(B)(ii).

7.0 Product Offerings

7.1 There are no product offering guidelines for products offered via New York State of Health, the Official Health Plan Marketplace of New York State.

7.2 There are no product offering guidelines which would limit the products available in a slice offering, when compared with a sole offering, with the exception of 7.3.

7.3 (Large Group Only) HealthNow will not offer healthcare coverage alongside a competitor's HMO coverage.

Table 3: Product Offerings

	Group Size (Eligible Employees)	
	Small Group (1 - 50)	**Large Group (51+)**
Products Available *(Some product types not available in all markets)*	HMO POS EPO PPO	HMO[a] POS EPO PPO Traditional Comprehensive
Rating Type	Community Rated	Community or Experience Rated

[a] - HMO products are not available Experience Rated

8.0 Transition from Community Rating to Experience Rating (Large Group Only)

8.1 Requests by current Community Rated customers to see the claims experience of their own members will be refused.

9.0 Transition from Experience Rating to Community Rating (Large Group Only)

9.1 If a group has Experience Rated insurance coverage, the employer is not permitted to purchase or offer any Community Rated insurance products. The employer is permitted to purchase new or additional products, which may coincide with Community Rated products, on an Experience Rated basis.

10.0 General Group Renewal

NOTE: All groups are subject to review at any time by HealthNow to ensure that they meet group eligibility requirements

10.1 Refusal to renew is permitted in the following circumstances:

- Group no longer exists as a business
- Group has perpetuated fraud
- Group has failed to pay premiums

BlueCross BlueShield of Western New York
Group Underwriting Guidelines

Effective January 1, 2014

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Documentation for new businesses may include a copy of a business bank statement, a cancelled business check, assignment of an EIN number, or other appropriate tax documents that demonstrate eligibility.[c]		

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[b] If a NYS-45 is not available, these alternate forms or any combination thereof may be accepted in lieu of the required documentation. In such instances, a NYS-45 will be required within 90 days.

[c] Two months of premium must be submitted on a company check with the enrollment paperwork and subscriber applications to Underwriting for approval prior to enrollment.

1.2 All new groups may be subject to an on-site inspection by a BlueCross BlueShield Representative prior to the initial enrollment in order to qualify the group's ability to meet BlueCross BlueShield Group Eligibility Requirements.

1.3 The employees of a multiple location group within the BlueCross BlueShield service area may be combined to determine the size of the group. Employees in locations outside of the BlueCross BlueShield service area will be counted in determining group size if they are eligible for BlueCross BlueShield coverage. If requested, a multiple location group purchasing coverage can enroll only the employees who reside within the BlueCross BlueShield service area and only in products that adhere to the guidelines set forth in Table 2. These groups must have a facility or office in the service area. The facility or office may be classified as a separate and distinct entity.

1.4 Certain definable segments in a group may be considered for enrollment as a group when all other Employer-Employee Eligibility requirements are met and the request is from the group. A segment of a group is defined as a classification of employees from a group who are clearly distinguished from all other employees for reasons other than obtaining BlueCross BlueShield health insurance coverage. For example: all salaried employees, all hourly employees, all employees in a specific location, employees of distinct entities acquired by merger or any combination of these segments.

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2.1 Upon request, the group will be required to provide verification that all persons electing group coverage are actually employed by the group.

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- Retirees are persons previously employed by the group immediately prior to the time they cease to be an active employee.
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4.1 BlueCross BlueShield will not accept any new Chambers or Associations, but those Chambers or Associations that BlueCross BlueShield currently insures may continue. For those Chambers and Associations that continue, groups may be added or terminated within the Chamber or Association, and subscribers within those constituent groups may be added or terminated as well – subject to the rules below.

4.2 BlueCross BlueShield must verify that each of the groups joining the Chamber or Association are actively engaged in their business. The same documentation needed for a group enrolling directly with us will be required for groups joining a Chamber or Association. All underwriting rules will be applied at the individual group level; that is, for a Chamber, each group joining through the Chamber is subject to the same underwriting criteria as if the group had purchased directly from BlueCross BlueShield.

4.3 Chambers and Associations may offer up to two products.

5.0 Group Participation, Location, and Contribution Requirements

NOTE: All groups are subject to review at any time by BlueCross BlueShield to ensure that they meet group eligibility requirements

5.1 The group requirements contained in this section establish the basic criteria used by BlueCross BlueShield to determine which groups will be accepted for enrollment and which groups will be allowed to continue subsequent to initial enrollment.

5.2 BlueCross BlueShield reserves the right to deny initial or continued enrollment to a group which does not meet the group eligibility requirements. BlueCross BlueShield also reserves the right to terminate a group, upon appropriate notice as specified by the insurance contract, if group eligibility requirements are not met and maintained.

5.3 For new large group experience rated business, groups will be required to indicate employer contribution levels, either as a dollar amount or as a percentage of premium. This will be required at both initial enrollment and renewal.

5.4 Participation calculations are applied at two different levels and are determined by counting active employees and retirees on a combined basis as if they were all one group or category.

The first level is to determine participation in BlueCross BlueShield products. To calculate, BlueCross BlueShield divides the number of employees seeking commercial health insurance through BlueCross BlueShield by the total number of eligible employees excluding those who have coverage through a spouse.

The second level is to determine overall participation. To calculate, BlueCross BlueShield divides the number of employees seeking commercial health insurance through BlueCross BlueShield by the total number of eligible employees. The total number of eligible employees in this calculation includes employees who have coverage through a spouse.

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(A)	Total Employees	100
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(E)	Employees Enrolling with another carrier	10
(F)	Employees Declining Coverage	4

(F) = (B) - (C) - (D) - (E)

Line (E) applicaple to Community Rated slice offerings ONLY

Test 1: Participation in BlueCross BlueShield Products

$$\text{Participation \%} = \frac{(D)}{[(B) - (C) - (E)]} \geq 50\% \text{ (CR)}, 75\% \text{ (ER)}$$

$$\text{Participation \%} = \frac{65}{[\,86 - 7 - 10\,]} = 94.2\% \quad ✓$$

Test 2: Overall Participation

$$\text{Participation \%} = \frac{(D)}{(B)} \geq 75\% \text{ (CR)}, 50\% \text{ (ER)}$$

$$\text{Participation \%} = \frac{65}{86} = 75.6\% \quad ✓$$

5.6 All eligible employees must reside in our service area to be able to offer an Article 44 product.

5.7 Groups must be located within BlueCross BlueShield's service area to be eligible for coverage. For groups with multiple locations, the group's headquarters must reside in BlueCross BlueShield's service area to be eligible for coverage.

5.8 Participation requirements for retirees are outlined in Table 2. These requirements must be satisfied only when the active employees and retirees are in distinct products. For example, if a group enrolls in one product for the active employees, and chooses a separate product for their retiree class, then the requirements must be satisfied.

Table 2: Group Participation, Location, and Contribution Requirements

	Small Group Community Rated 50 or Fewer Eligible Employees	Large Group Community Rated 51+ Eligible Employees	Large Group Experience Rated 51+ Eligible Employees
Subscribers must be actively at work (employee absent or on leave is not eligible until returns to normal duties of employment for a specified period of time):			
Article 44	No	Yes	Not Applicable
Article 43	No	Yes	Yes
Maximum Percentage of Group Classified as Retirees			
Article 44	No Maximum	50%	Not Applicable
Article 43	No Maximum	50%	50%
Minimum Retiree Participation			
Article 44	No Minimum	50%	Not Applicable
Article 43	No Minimum	50%	50%

a Experience Rated does not exist with another carrier

6.0 Open Enrollment Policies

6.1 The employer must not inhibit free movement of eligible employees at either the initial enrollment period or at any subsequent open enrollment period. The employer must not take any action which could be interpreted as encouraging adverse selection against BlueCross BlueShield.

6.2 At time of the initial enrollment, if there is a current carrier and a dependent or subscriber is confined to a hospital, the prior carrier shall pay the claims associated with the hospital confinement as required by applicable benefits-after-termination laws.

6.3 Groups are required to have one specified annual open enrollment period. The open enrollment will apply to all BlueCross BlueShield products. A second open enrollment period (special open enrollment) may be permitted with the prior approval of BlueCross BlueShield.

6.4 If a special open enrollment is offered for any carrier because of a change in rates, benefits, and/or delivery system, then BlueCross BlueShield must also be offered the opportunity to make similar changes in benefits, rates, and/or delivery system, and to participate in the open enrollment.

6.5 Enrollment of a group is contingent upon receiving complete, appropriate paperwork (including a signed group agreement) a minimum of 15 business days (for Community Rated) or 30 business days (for Experience Rated) prior to the effective date of the group. Failure to provide this advance notice may result in the movement of the group's effective date to the first of the following month.

6.6 Any change in the BlueCross BlueShield benefit package inclusive of all products, including but not limited to rating tier structure, which is not coincident with the group's anniversary date must have the prior approval of BlueCross BlueShield.

6.7 Benefit enhancements are not permitted off of a group's anniversary date except due to matching circumstances. However, Dental coverage may be added at any time to any group. The group's anniversary date for medical coverage will then be the anniversary date for all of the group's coverage. If a group adds a new segment (class: an additional set of distinct employees) off anniversary, the rates and effective date will not change for the existing segment(s). The new segment(s) will receive the rates applicable on their enrollment date.

6.8 Eligible employees/retirees may only enter the plan during the open enrollment period of each year or within 30 days of first becoming eligible. Entry will not be permitted at any other time during the year except in accordance with 11 NYCRR Section 360.3 (a)(9)(i-iii) or Section 4305(K)(5)(B)(ii).

7.0 Product Offerings

7.1 There are no product offering guidelines for products offered via New York State of Health, the Official Health Plan Marketplace of New York State.

7.2 There are no product offering guidelines which would limit the products available in a slice offering, when compared with a sole offering, with the exception of 7.3.

7.3 (Large Group Only) BlueCross Blue Shield will not offer healthcare coverage alongside a competitor's HMO coverage.

Table 3: Product Offerings

	Group Size (Eligible Employees)	
	Small Group (1 - 50)	**Large Group (51+)**
Products Available *(Some product types not available in all markets)*	HMO POS EPO PPO	HMO[a] POS EPO PPO Traditional Comprehensive
Rating Type	Community Rated	Community or Experience Rated

[a] - HMO products are not available Experience Rated

8.0 Transition from Community Rating to Experience Rating (Large Group Only)

8.1 Requests by current Community Rated customers to see the claims experience of their own members will be refused.

9.0 Transition from Experience Rating to Community Rating (Large Group Only)

9.1 If a group has Experience Rated insurance coverage, the employer is not permitted to purchase or offer any Community Rated insurance products. The employer is permitted to purchase new or additional products, which may coincide with Community Rated products, on an Experience Rated basis.

10.0 General Group Renewal

NOTE: All groups are subject to review at any time by BlueCross BlueShield to ensure that they meet group eligibility requirements

10.1 Refusal to renew is permitted in the following circumstances:

- Group no longer exists as a business
- Group has perpetuated fraud
- Group has failed to pay premiums

BlueShield of Northeastern New York
Group Underwriting Guidelines

Effective January 1, 2014

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Terms and Abbreviations

Article 43 – Trad, PPO, EPO, POS

Article 44 – HMO[a]

BlueShield –Blue Shield of Northeastern New York

EPO – Exclusive Provider Organization

HDHP – High Deductible Health Plan

HMO – Health Maintenance Organization

MC – Managed Care

POS – Point of Service

PPO – Preferred Provider Organization

Trad – Traditional Indemnity Product

a – Also includes HMO-based products with out of network benefits

1.0 Group Documentation

NOTE: All documentation must be received and verified before any coverage is issued

1.1 The group must produce documentation at time of enrollment that proves existence and active involvement in doing business. Groups must have a physical location in our service area. We require a physical address (not a P.O. Box) for a group address.

Table 1: Forms of Documentation

Required Documentation[a]	Alternate Forms of Documentation[b]	
NYS-45	• **Schedule C** • **Schedule E** • **Schedule F** • **Schedule K-1** • **Schedule 1065**	• **Schedule 1120 C** • **Schedule 1120 E** • **Schedule 1120 S** • **Form IT-204**
Documentation for new businesses may include a copy of a business bank statement, a cancelled business check, assignment of an EIN number, or other appropriate tax documents that demonstrate eligibility.[c]		

[a] Additional documentation may be required to prove eligibility of new subscribers. People not listed on the most recent ATT-45 form will not be accepted for group coverage from BSNENY unless alternate documentation is submitted. For new employees, alternate documentation may include the last 2 weeks of pay stubs or a copy of the group's payroll including payroll for those new employees. For COBRA and retirees, the last applicable NYS-45, payroll, or pension records will be accepted to establish eligibility.

[b] If a NYS-45 is not available, these alternate forms or any combination thereof may be accepted in lieu of the required documentation. In such instances, a NYS-45 will be required within 90 days.

[c] Two months of premium must be submitted on a company check with the enrollment paperwork and subscriber applications to Underwriting for approval prior to enrollment.

1.2 All new groups may be subject to an on-site inspection by a BlueShield Representative prior to the initial enrollment in order to qualify the group's ability to meet BlueShield Group Eligibility Requirements.

1.3 The employees of a multiple location group within the BlueShield service area may be combined to determine the size of the group. Employees in locations outside of the BlueShield service area will be counted in determining group size if they are eligible for BlueShield coverage. If requested, a multiple location group purchasing coverage can enroll only the employees who reside within the BlueShield service area and only in products that adhere to the guidelines set forth in Table 2. These groups must have a facility or office in the service area. The facility or office may be classified as a separate and distinct entity.

1.4 Certain definable segments in a group may be considered for enrollment as a group when all other Employer-Employee Eligibility requirements are met and the request is from the group. A segment of a group is defined as a classification of employees from a group who are clearly distinguished from all other employees for reasons other than obtaining BlueShield health insurance coverage. For example: all salaried employees, all hourly employees, all employees in a specific location, employees of distinct entities acquired by merger or any combination of these segments.

2.0 Employee Documentation for Group Coverage

NOTE: Employee documentation may be requested at any time and is subject to verification

2.1 Upon request, the group will be required to provide verification that all persons electing group coverage are actually employed by the group.

2.2 Full time employees or part time employees working a minimum of 20 hours per week or more for six or more months per year are eligible for coverage. Groups may choose to impose a higher requirement for hours for part time employees.

2.3 Partners, shareholders, officers, owners, directors, and proprietors will be eligible only when devoting their services on a full-time basis to the business by working a minimum of 20 hours per week. These individuals must supply evidence that they work 20 hours per week, such as pay stubs, draws on a company account in lieu of payroll, and/or personal income tax records.

2.4 Retiree coverage:

- Retirees are persons previously employed by the group immediately prior to the time they cease to be an active employee.
- If a group desires to offer coverage to its retirees as well as the currently active employees, we will insure the retirees as well as the active employees.
- [Commercial Products Only] If a group has coverage for both active employees and retirees and opts to terminate coverage for the active employees, the retiree coverage will also be terminated.
- In situations where dual carriers exist, both are required by law to offer plans to retirees in accordance with the requirements set forth in Table 2.
- The employer must make some contribution to the cost of retiree coverage except if the employer makes no contribution to the cost of active employee coverage.
- Groups may be required, upon request, to provide proof that the retirees were in fact previously active employees of the group immediately before retirement.
- New groups which consist solely of retirees will not be offered coverage.

3.0 Individual Market and Individual Documentation

3.1 The individual market consists of persons who are not enrolled through groups. Sole proprietors will be considered part of the individual market.

4.0 Chambers of Commerce/Association Groups (Small Group Only)

4.1 BlueShield will not accept any new Chambers or Associations, but those Chambers or Associations that BlueShield currently insures may continue. For those Chambers and Associations that continue, groups may be added or terminated within the Chamber or Association, and subscribers within those constituent groups may be added or terminated as well – subject to the rules below.

4.2 BlueShield must verify that each of the groups joining the Chamber or Association are actively engaged in their business. The same documentation needed for a group enrolling directly with us will be required for groups joining a Chamber or Association. All underwriting rules will be applied at the individual group level; that is, for a Chamber, each group joining through the Chamber is subject to the same underwriting criteria as if the group had purchased directly from BlueShield .

4.3 Chambers and Associations may offer up to two products.

5.0 Group Participation, Location, and Contribution Requirements

NOTE: All groups are subject to review at any time by BlueShield to ensure that they meet group eligibility requirements

5.1 The group requirements contained in this section establish the basic criteria used by BlueShield to determine which groups will be accepted for enrollment and which groups will be allowed to continue subsequent to initial enrollment.

5.2 BlueShield reserves the right to deny initial or continued enrollment to a group which does not meet the group eligibility requirements. BlueShield also reserves the right to terminate a group, upon appropriate notice as specified by the insurance contract, if group eligibility requirements are not met and maintained.

5.3 For new large group experience rated business, groups will be required to indicate employer contribution levels, either as a dollar amount or as a percentage of premium. This will be required at both initial enrollment and renewal.

5.4 Participation calculations are applied at two different levels and are determined by counting active employees and retirees on a combined basis as if they were all one group or category.

The first level is to determine participation in BlueShield products. To calculate, BlueShield divides the number of employees seeking commercial health insurance through BlueShield by the total number of eligible employees excluding those who have coverage through a spouse.

The second level is to determine overall participation. To calculate, BlueShield divides the number of employees seeking commercial health insurance through BlueShield by the total number of eligible employees. The total number of eligible employees in this calculation includes employees who have coverage through a spouse.

Group Participation Example

(A)	Total Employees	100
(B)	Eligible Employees	86
(C)	Spousal Waivers	7
(D)	Employees Enrolling with BlueCross BlueShield	65
(E)	Employees Enrolling with another carrier	10
(F)	Employees Declining Coverage	4

(F) = (B) - (C) - (D) - (E)

Line (E) applicaple to Community Rated slice offerings ONLY

Test 1: Participation in BlueCross BlueShield Products

$$\text{Participation \%} = \frac{(D)}{[(B) - (C) - (E)]} \geq 50\% \text{ (CR)}, 75\% \text{ (ER)}$$

$$\text{Participation \%} = \frac{65}{[86 - 7 - 10]} = 94.2\% \checkmark$$

Test 2: Overall Participation

$$\text{Participation \%} = \frac{(D)}{(B)} \geq 75\% \text{ (CR)}, 50\% \text{ (ER)}$$

$$\text{Participation \%} = \frac{65}{86} = 75.6\% \checkmark$$

5.6 All eligible employees must reside in our service area to be able to offer an Article 44 product.

5.7 Groups must be located within BlueShield 's service area to be eligible for coverage. For groups with multiple locations, the group's headquarters must reside in BlueShield 's service area to be eligible for coverage.

5.8 Participation requirements for retirees are outlined in Table 2. These requirements must be satisfied only when the active employees and retirees are in distinct products. For example, if a group enrolls in one product for the active employees, and chooses a separate product for their retiree class, then the requirements must be satisfied.

Table 2: Group Participation, Location, and Contribution Requirements

	Small Group Community Rated 50 or Fewer Eligible Employees	Large Group Community Rated 51+ Eligible Employees	Large Group Experience Rated 51+ Eligible Employees
Subscribers must be actively at work (employee absent or on leave is not eligible until returns to normal duties of employment for a specified period of time):			
Article 44	No	Yes	Not Applicable
Article 43	No	Yes	Yes
Maximum Percentage of Group Classified as Retirees			
Article 44	No Maximum	50%	Not Applicable
Article 43	No Maximum	50%	50%
Minimum Retiree Participation			
Article 44	No Minimum	50%	Not Applicable
Article 43	No Minimum	50%	50%

a Experience Rated does not exist with another carrier

6.0 Open Enrollment Policies

6.1 The employer must not inhibit free movement of eligible employees at either the initial enrollment period or at any subsequent open enrollment period. The employer must not take any action which could be interpreted as encouraging adverse selection against BlueShield .

6.2 At time of the initial enrollment, if there is a current carrier and a dependent or subscriber is confined to a hospital, the prior carrier shall pay the claims associated with the hospital confinement as required by applicable benefits-after-termination laws.

6.3 Groups are required to have one specified annual open enrollment period. The open enrollment will apply to all BlueShield products. A second open enrollment period (special open enrollment) may be permitted with the prior approval of BlueShield .

6.4 If a special open enrollment is offered for any carrier because of a change in rates, benefits, and/or delivery system, then BlueShield must also be offered the opportunity to make similar changes in benefits, rates, and/or delivery system, and to participate in the open enrollment.

6.5 Enrollment of a group is contingent upon receiving complete, appropriate paperwork (including a signed group agreement) a minimum of 15 business days (for Community Rated) or 30 business days (for Experience Rated) prior to the effective date of the group. Failure to provide this advance notice may result in the movement of the group's effective date to the first of the following month.

6.6 Any change in the BlueShield benefit package inclusive of all products, including but not limited to rating tier structure, which is not coincident with the group's anniversary date must have the prior approval of BlueShield .

6.7 Benefit enhancements are not permitted off of a group's anniversary date except due to matching circumstances. However, Dental coverage may be added at any time to any group. The group's anniversary date for medical coverage will then be the anniversary date for all of the group's coverage. If a group adds a new segment (class: an additional set of distinct employees) off anniversary, the rates and effective date will not change for the existing segment(s). The new segment(s) will receive the rates applicable on their enrollment date.

6.8 Eligible employees/retirees may only enter the plan during the open enrollment period of each year or within 30 days of first becoming eligible. Entry will not be permitted at any other time during the year except in accordance with 11 NYCRR Section 360.3 (a)(9)(i-iii) or Section 4305(K)(5)(B)(ii).

7.0 Product Offerings

7.1 There are no product offering guidelines for products offered via New York State of Health, the Official Health Plan Marketplace of New York State.

7.2 There are no product offering guidelines which would limit the products available in a slice offering, when compared with a sole offering, with the exception of 7.3.

7.3 (Large Group Only) BlueShield will not offer healthcare coverage alongside a competitor's HMO coverage.

Table 3: Product Offerings

	Group Size (Eligible Employees)	
	Small Group (1 - 50)	**Large Group (51+)**
Products Available *(Some product types not available in all markets)*	HMO POS EPO PPO	HMO[a] POS EPO PPO Traditional Comprehensive
Rating Type	Community Rated	Community or Experience Rated

[a] - HMO products are not available Experience Rated

8.0 Transition from Community Rating to Experience Rating (Large Group Only)

8.1 Requests by current Community Rated customers to see the claims experience of their own members will be refused.

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9.1 If a group has Experience Rated insurance coverage, the employer is not permitted to purchase or offer any Community Rated insurance products. The employer is permitted to purchase new or additional products, which may coincide with Community Rated products, on an Experience Rated basis.

10.0 General Group Renewal

NOTE: All groups are subject to review at any time by BlueShield to ensure that they meet group eligibility requirements

10.1 Refusal to renew is permitted in the following circumstances:

- Group no longer exists as a business
- Group has perpetuated fraud
- Group has failed to pay premiums

healthy changes everything®

BlueShield
of Northeastern New York

2014 Enhanced Broker Commission Schedule and Bonus Program

5531-A1_NENY_Enhanced_06/03/14.pub

BlueShield
of Northeastern New York

At BlueShield of Northeastern New York, our mission in life is to enhance the lives of our members.

We are excited to present to you our **Broker Commission Schedule and Bonus Program for 2014**. We value our partnership with you, and are committed to providing excellence to you and your clients.

If you have any questions regarding the Broker Commission Schedule and Bonus Program, please contact our Broker Program Department.

Thank you for your dedicated partnership.

Kindest Regards,

Michael G. Conroy
Vice President,
Commercial Accounts

Margaret Anderson
Vice President,
Government Programs

Commission Schedule

Qualifications

- For brokers to be considered for compensation on new business they must have been actively involved in the sales process **prior** to a written agreement by the group to offer a BlueShield of Northeastern New York product.
- Commercial group commission rates apply to business on and off exchange (NYS SHOP).
- To continue receiving commissions beyond the first year, and for all subsequent years, the broker must complete the renewal process on behalf of BlueShield.
- The commission schedule utilized for each group is based on the geographic location of the group's headquarters.
- Upon broker notification of non-payment of commissions, BlueShield will only pay commissions retroactively for community rated business up to a maximum of 90 days. For all other funding arrangements, including but not limited to experience rated business, BlueShield will only pay commissions related to the current and prior plan years.
- Broker commissions will only be paid upon BlueShield's receipt of payment of monthly premiums or administrative fees from the group. Broker commissions will cease upon termination of the group with BlueShield.

Please Note:

Direct Bill COBRA groups are not eligible to receive commissions.

Commission Schedule

Commercial Plans
New Business

COMMUNITY RATED

Rating	Commission
Community Rated	▸ 4% POS, EPO, PPO, HDHP of monthly paid premium. ▸ 2% HMO of monthly paid premium.
Experience Rated	▸ 4% of first $250,000 annualized premium. ▸ 4.5% on next $500,000 annualized premium. ▸ 2.5% on balance.
Minimum Premium	**Commissions on Minimum Premium Funding** Arrangements will be calculated based on the standard scale for experience rated business, as noted above. Any deviation from the standard scale must be acknowledged on the final executed rate sheet for the group. The commission percentage will be applied to a fully insured premium equivalent (prospective rate), at the time of inception or renewal, to establish a projected commission amount. The amount will then be converted to a per contract per month amount to be paid monthly. Timing of payment will coincide with receipt of payment of the monthly administrative fee.
ASO/ASC	Will be paid on a per contract per month basis with BlueShield approval.

DENTAL

Rating	Commission
Experience Rated	▸ 5% on first $10,000 annualized premium. ▸ 3.5% on next $15,000 annualized premium. ▸ 2% on next $25,000+ annualized premium. ▸ 1% on balance.
ASO/ASC	Will be paid on a per contract per month basis with BlueShield approval.

Important Notes*:*
Direct Bill COBRA groups are not eligible to receive commissions.

Commission payments for HMO products cannot exceed a total of 4% of the collected premium for each individual group.

Commission Schedule
Broker of Record (BOR) Appointment

BlueShield of Northeastern New York

Commercial Plans
Existing Business

MEDICAL

Rating	Commission
Community Rated	▸ 3% POS, EPO, PPO, HDHP. ▸ 2% HMO. ▸ Effective first of month following BOR appointment.
Experience Rated	***If group had a previous paid broker:*** Commission is effective first of month following BOR appointment; pay at previous broker commission level. ***If group did not have a previous paid broker:*** Commission is effective at group's renewal, if BOR is received at least 90 days prior to renewal.

DENTAL

Rating	Commission
Experience Rated	***If group had a previous paid broker:*** Commission is effective first of month following BOR appointment; pay at previous broker commission level. ***If group did not have a previous paid broker:*** Commission is effective at group's renewal, if BOR is received at least 90 days prior to renewal.

Commission Schedule

Commercial Plans

Important information regarding experience rated commissions

Calculation: The first month's bill will be annualized to determine annual premium. This will be applied to the scale shown to calculate the annualized commission. The annualized commission is divided by the annualized premium to determine an average commission percent. The average commission percent is applied to the monthly paid premium.

Medical: Brokers have the option to request an adjustment to the BlueShield standard commission schedule. Request must be submitted in writing at the time of new business and/or renewal quote, and will be honored at BlueShield's discretion.

Dental: Broker has the option to request an adjustment to BlueShield's standard commission schedule. Request must be submitted in writing at time of new business and/or renewal quote, and will be honored at BlueShield's discretion.

New Business Bonus Program

Commercial Plans

Enhanced New Sales Bonus Program

Production	Annual Bonus
Less than 100 eligible contracts	$0
100 contracts	$2,500
250 contracts	$25,000
500 contracts	$50,000
750 contracts	$75,000
1,000 contracts	$100,000
1,250 contracts	$125,000
1,500 contracts	$150,000

Qualifications

- This bonus program only applies to new business, not to renewal business. A minimum threshold of 100 contracts will apply. Eligible business must be effective starting January 1, 2014, but no later than December 15, 2014.
- Minimum Book of Business of $18,000,000 of **insured annual collected premium** from January 1, 2014 to December 31, 2014. For purposes of meeting this requirement, premiums will include the existing book of business premium, new group premium, and premium for new BOR appointments.
- Only group business with 20 or more enrolled contracts are eligible to be included in the bonus program.
- Groups transitioned from existing business will not be counted toward the bonus program.
- A change in BOR will not be counted toward the bonus program.
- To be counted toward the bonus program, the group must be in-force at the time of calculation of payment.
- The bonus program only applies to eligible local groups insured or administered by BlueShield of Northeastern New York.
- New ASO business will be included at a reduced ratio whereby four ASO contracts will be counted as one contract.
- Any existing group previously under a chamber, association, or society that is insured through BlueShield will not be considered a new group under any circumstance.

- The bonus program does not include business insured or administered by BlueShield's affiliates or by HealthNow New York, even if it is insured or administered by BlueShield.
- Payment will be made on a quarterly basis based upon the contract's threshold level achieved year-to-date. Brokers will be subject to repayment of bonuses to BlueShield if contract counts fall below a threshold achieved prior quarters.
- New High Deductible Health Plan (HDHP) business will be included at an enhanced ratio whereby one HDHP contract will be counted as 1.25 contracts. HDHP contracts are defined as any contract from a HSA qualified HDHP with 20 or more enrolled contracts.

Please Note:

New business bonus commissions are not payable on chamber groups, associations, or society business.

Persistency Bonus Program

Commercial Plans

In 2014, BlueShield is offering a persistency bonus program to brokers who successfully help us retain and grow our valued membership.

Enhanced Persistency Bonus Program

Retention Rate	PEPM* Payout
Less than 95%	$0
95% - 96.24%	$1.00
96.25% - 97.49%	$2.00
97.5% - 98.74%	$3.00
98.75% - 99.99%	$4.00
100% - 101.24%	$5.00
101.5% - 102.74%	$5.25
102.75% or more	$5.50

** Per Employee Per Month*

Requirements

- Minimum Book of Business of $18,000,000 of **insured annual collected premium** from January 1, 2014 to December 31, 2014. For purposes of meeting this requirement, premiums will include the existing book of business premium, new group premium, and premium for new BOR appointments.
- Minimum of 20 in-force **insured** groups.
- Write five new, insured groups with a total of 250 contracts.
- Bonus payments are reduced by 50% if new business requirements are not met.

Retention Calculation

- The retention rate will be calculated based on the beginning membership as of December 31, 2013 compared to ending membership on December 31, 2014.
- BlueShield will include 100% of total new contracts for the year in calculating the retention rate.
- If a broker loses a group due to a BOR transfer, the group will be removed from both beginning and ending membership.
- A broker will not be penalized upon the transfer of members from a commercially insured product to a BlueShield federal group product. The membership will be removed from both the beginning and ending membership.

- Membership for any small community rated group who no longer offers medical insurance to their employees ("dumps coverage") will be removed from both the beginning and ending membership totals. BlueShield will require a letter from the group, on group letterhead verifying this decision.
- If a broker takes over a new BOR on an existing BlueShield group and moves the business to a competitor, the membership will be added to the beginning membership of December 31, 2013.

Payments

- Maximum payments per group cannot exceed $100,000.
- Consortiums and Trusts will be treated as a single group and payment will be capped at $100,000.
- The combination of commission and persistency bonus payments cannot exceed a total of 5% of the collected premium for each individual group. Commission and bonus payment for HMO products cannot exceed 4% of collected premium for each individual group.
- Bonuses will be paid in March of the following year and are subject to regulatory approval.

Please Note:
Any membership under a chamber group, association or society, as well as ASO and Medicare groups, will be excluded from the persistency bonus program.

Medicare Commission Schedule

Medicare Advantage Employer Group Plans

The following commission schedule applies to Employer Group Senior Blue HMO & Forever Blue Medicare PPO plans.

Commission Schedule	Year 1	Year 2	Year 3 and thereafter
Per Contract Per Month	$10.00	$12.00	$15.00

The following commission schedule applies to Employer Group Medicare Medical Savings Account plans.

Commission Schedule	Year 1	Year 2	Year 3 and thereafter
Per Contract Per Month	$25.00	$30.00	$35.00

Commission Guidelines

- Members must be enrolled in the Medicare Advantage plan ***through an employer group***.
- This schedule of commission is not applicable to direct pay Medicare Advantage members.
- An employer group must consist of a minimum of two applications.
- Enrollees must remain in a Medicare Advantage plan for a minimum of three months.
- Brokers are not eligible for payment on the same member who cancels coverage and *re-enters the plan during a three-year period. For example, if a member enrolls, cancels* coverage in the second year and then re-enrolls in the third year, the broker will only be paid for the first year of membership.
- Payments will be made for active contracts, on a quarterly basis, beginning with the quarter after the effective date of the application.
- Broker Commissions are paid only after receipt of premiums.

Medicare Commission Schedule

Medicare Advantage Employer Group Plans

Take over of Non-Brokered |Business:

A Broker who takes over a *current* non-brokered Medicare Advantage Group plan would get paid on any new member growth effective the 1st of the month following receipt of the BOR and would also be eligible for a onetime payment based on the number of existing contracts.

Onetime payment based on contracts:

Commission Schedule	50-100 Contracts	101-250 Contracts	251+
Onetime Payment	$5,000	$10,000	$15,000

Please Note:

- Government-commissioned plans are not included in the Persistency Bonus Program.
- Payment will be made for active contracts, on a quarterly basis, beginning with the quarter after the effective date of the application.

Important Note: *Payment of commissions shall be exclusively governed by the terms of the applicable contract between BlueShield of Northeastern New York and the Independent Broker. This schedule is subject to regulatory approval. BlueShield of Northeastern New York reserves the right to amend or clarify this schedule at any time.*

Medicare Commission Schedule

Medicare Advantage Direct Pay/Individual Plan

The following commission schedule applies to **Direct Pay Products which include MSA, HMO, and PPO plans**.

Commission Schedule	Year 1	Year 2-6
Per Contract Payment	$300.00 new direct pay application	$150.00 per renewal

Direct Pay Referral Fee
One time $75 referral fee for leads that result in a new Direct Pay member.

Commission Guidelines

Brokers are not eligible for payment for members who cancel coverage and re-enter the plan over a three-year period. For example, if a member enrolls, cancels coverage in the second year and then re-enrolls in the third year, the broker will only be paid only for the first year of membership.

Payments will be made for Direct Pay contracts on a monthly basis. No payment will be released prior to the effective date and verification through CMS (Centers for Medical and Medicare Services).

Referral fees will be paid quarterly for leads that result in a Center for Medicare and Medicaid Services (CMS) confirmed enrollment. The member must be enrolled for a minimum of three consecutive months in order for the broker to earn the referral fee.

Please Note:
Three month consecutive enrollment does not apply to Medigap.

Important Note: *Payment of commissions shall be exclusively governed by the terms of the applicable contract between BlueShield of Northeastern New York and the Independent Broker. This schedule is subject to regulatory approval. BlueShield of Northeastern New York reserves the right to amend or clarify this schedule at any time.*

healthy changes
everything.®

BlueShield
of Northeastern New York

BlueShield of Northeastern New York is a division of HealthNow New York Inc., an independent licensee of the BlueCross BlueShield Association.

Confidential Information: This information is proprietary and confidential and should not be shared with outside parties.

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BlueShield of Northeastern New York

2014 Standard Broker Commission Schedule and Bonus Program

5531-A_NENY_Standard_06/03/14.pub

BlueShield
of Northeastern New York

At BlueShield of Northeastern New York, our mission in life is to enhance the lives of our members.

We are excited to present to you our **Broker Commission Schedule and Bonus Program for 2014**. We value our partnership with you, and are committed to providing excellence to you and your clients.

If you have any questions regarding the Broker Commission Schedule and Bonus Program, please contact our Broker Program Department.

Thank you for your dedicated partnership.

Kindest Regards,

Michael G. Conroy
Vice President,
Commercial Accounts

Margaret Anderson
Vice President,
Government Programs

Commission Schedule

Qualifications

- For brokers to be considered for compensation on new business they must have been actively involved in the sales process **prior** to a written agreement by the group to offer a BlueShield of Northeastern New York product.
- Commercial group commission rates apply to business on and off exchange (NYS SHOP).
- To continue receiving commissions beyond the first year, and for all subsequent years, the broker must complete the renewal process on behalf of BlueShield.
- The commission schedule utilized for each group is based on the geographic location of the group's headquarters.
- Upon broker notification of non-payment of commissions, BlueShield will only pay commissions retroactively for community rated business up to a maximum of 90 days. For all other funding arrangements, including but not limited to experience rated business, BlueShield will only pay commissions related to the current and prior plan years.
- Broker commissions will only be paid upon BlueShield's receipt of payment of monthly premiums or administrative fees from the group. Broker commissions will cease upon termination of the group with BlueShield.

Please Note:

Direct Bill COBRA groups are not eligible to receive commissions.

Commission Schedule

Commercial Plans
New Business

COMMUNITY RATED

Rating	Commission
Community Rated	▸ 4% POS, EPO, PPO, HDHP of monthly paid premium. ▸ 2% HMO of monthly paid premium.
Experience Rated	▸ 4% of first $250,000 annualized premium. ▸ 4.5% on next $500,000 annualized premium. ▸ 2.5% on balance.
Minimum Premium	**Commissions on Minimum Premium Funding** Arrangements will be calculated based on the standard scale for experience rated business, as noted above. Any deviation from the standard scale must be acknowledged on the final executed rate sheet for the group. The commission percentage will be applied to a fully insured premium equivalent (prospective rate), at the time of inception or renewal, to establish a projected commission amount. The amount will then be converted to a per contract per month amount to be paid monthly. Timing of payment will coincide with receipt of payment of the monthly administrative fee.
ASO/ASC	Will be paid on a per contract per month basis with BlueShield approval.

DENTAL

Rating	Commission
Experience Rated	▸ 5% on first $10,000 annualized premium. ▸ 3.5% on next $15,000 annualized premium. ▸ 2% on next $25,000+ annualized premium. ▸ 1% on balance.
ASO/ASC	Will be paid on a per contract per month basis with BlueShield approval.

Important Notes*:*
Direct Bill COBRA groups are not eligible to receive commissions.

Commission payments for HMO products cannot exceed a total of 4% of the collected premium for each individual group.

Commission Schedule
Broker of Record (BOR) Appointment

BlueShield of Northeastern New York

Commercial Plans
Existing Business

MEDICAL

Rating	Commission
Community Rated	▸ 3% POS, EPO, PPO, HDHP. ▸ 2% HMO. ▸ Effective first of month following BOR appointment.
Experience Rated	***If group had a previous paid broker:*** Commission is effective first of month following BOR appointment; pay at previous broker commission level. ***If group did not have a previous paid broker:*** Commission is effective at group's renewal, if BOR is received at least 90 days prior to renewal.

DENTAL

Rating	Commission
Experience Rated	***If group had a previous paid broker:*** Commission is effective first of month following BOR appointment; pay at previous broker commission level. ***If group did not have a previous paid broker:*** Commission is effective at group's renewal, if BOR is received at least 90 days prior to renewal.

Commission Schedule

Commercial Plans

Important information regarding experience rated commissions

Calculation: The first month's bill will be annualized to determine annual premium. This will be applied to the scale shown to calculate the annualized commission. The annualized commission is divided by the annualized premium to determine an average commission percent. The average commission percent is applied to the monthly paid premium.

Medical: Brokers have the option to request an adjustment to the BlueShield standard commission schedule. Request must be submitted in writing at the time of new business and/or renewal quote, and will be honored at BlueShield's discretion.

Dental: Broker has the option to request an adjustment to BlueShield's standard commission schedule. Request must be submitted in writing at time of new business and/or renewal quote, and will be honored at BlueShield's discretion.

New Business Bonus Program

Commercial Plans

Standard New Sales Bonus Program

Production	Annual Bonus
Less than 100 eligible contracts	$0
100 contracts	$2,500
250 contracts	$25,000
500 contracts	$50,000
750 contracts	$75,000
1,000 contracts	$100,000

Qualifications

- This bonus program only applies to new business, not to renewal business. A minimum threshold of 100 contracts will apply. Eligible business must be effective starting January 1, 2014, but no later than December 15, 2014.
- Only group business with 20 or more enrolled contracts are eligible to be included in the bonus program.
- Groups transitioned from existing business will not be counted toward the bonus program.
- A change in BOR will not be counted toward the bonus program.
- To be counted toward the bonus program, the group must be in-force at the time of calculation of payment.
- The bonus program only applies to eligible local groups insured or administered by BlueShield of Northeastern New York.
- New ASO business will be included at a reduced ratio whereby four ASO contracts will be counted as one contract.
- Any existing group previously under a chamber, association, or society that is insured through BlueShield will not be considered a new group under any circumstance.
- The bonus program does not include business insured or administered by BlueShield's affiliates or by HealthNow New York, even if it is insured or administered by BlueShield.
- Payment will be made on a quarterly basis based upon the contract's threshold level achieved year-to-date. Brokers will be subject to repayment of bonuses to BlueShield if contract counts fall below a threshold achieved prior quarters.

- New High Deductible Health Plan (HDHP) business will be included at an enhanced ratio whereby one HDHP contract will be counted as 1.25 contracts. HDHP contracts are defined as any contract from a HSA qualified HDHP with 20 or more enrolled contracts.

Please Note:

New business bonus commissions are not payable on chamber groups, associations, or society business.

Persistency Bonus Program

Commercial Plans

In 2014, BlueShield is offering a persistency bonus program to brokers who successfully help us retain and grow our valued membership.

Standard Persistency Bonus Program

Retention Rate	PEPM* Payout
Less than 95%	$0
95% - 96.49%	$1.00
96.5% - 97.99%	$2.00
98% - 99.49%	$3.00
99.5% - 100.99%	$4.00
101% or more	$5.00

** Per Employee Per Month*

Requirements

- Minimum Book of Business of $6,000,000 of **insured annual collected premium** from January 1, 2014 to December 31, 2014. For purposes of meeting this requirement, premiums will include the existing book of business premium, new group premium, and premium for new BOR appointments.
- Minimum of 20 in-force **insured** groups.
- Write five new, insured groups with a total of 100 contracts. New business requirement will be waived if a total of 250 new contracts are sold.
- Bonus payments are reduced by 50% if new business requirements are not met.

Retention Calculation

- The retention rate will be calculated based on the beginning membership as of December 31, 2013 compared to ending membership on December 31, 2014.
- BlueShield will include 75% of total new contracts for the year in calculating the retention rate.
- If a broker loses a group due to a BOR transfer, the group will be removed from both beginning and ending membership.
- A broker will not be penalized upon the transfer of members from a commercially insured product to a BlueShield federal group product. The membership will be removed from both the beginning and ending membership.

- Membership for any small community rated group who no longer offers medical insurance to their employees ("dumps coverage") will be removed from both the beginning and ending membership totals. BlueShield will require a letter from the group, on group letterhead verifying this decision.
- If a broker takes over a new BOR on an existing BlueShield group and moves the business to a competitor, the membership will be added to the beginning membership of December 31, 2013.

Payments

- Maximum payments per group cannot exceed $100,000.
- Consortiums and Trusts will be treated as a single group and payment will be capped at $100,000.
- The combination of commission and persistency bonus payments cannot exceed a total of 5% of the collected premium for each individual group. Commission and bonus payment for HMO products cannot exceed 4% of collected premium for each individual group.
- Bonuses will be paid in March of the following year and are subject to regulatory approval.

Please Note:
Any membership under a chamber group, association or society, as well as ASO and Medicare groups, will be excluded from the persistency bonus program.

Medicare Commission Schedule

Medicare Advantage Employer Group Plans

The following commission schedule applies to Employer Group Senior Blue HMO & Forever Blue Medicare PPO plans.

Commission Schedule	Year 1	Year 2	Year 3 and thereafter
Per Contract Per Month	$10.00	$12.00	$15.00

The following commission schedule applies to Employer Group Medicare Medical Savings Account plans.

Commission Schedule	Year 1	Year 2	Year 3 and thereafter
Per Contract Per Month	$25.00	$30.00	$35.00

Commission Guidelines

- Members must be enrolled in the Medicare Advantage plan ***through an employer group***.
- This schedule of commission is not applicable to direct pay Medicare Advantage members.
- An employer group must consist of a minimum of two applications.
- Enrollees must remain in a Medicare Advantage plan for a minimum of three months.
- Brokers are not eligible for payment on the same member who cancels coverage and *re-enters the plan during a three-year period. For example, if a member enrolls, cancels* coverage in the second year and then re-enrolls in the third year, the broker will only be paid for the first year of membership.
- Payments will be made for active contracts, on a quarterly basis, beginning with the quarter after the effective date of the application.
- Broker Commissions are paid only after receipt of premiums.

Medicare Commission Schedule

Medicare Advantage Employer Group Plans

Take over of Non-Brokered |Business:

A Broker who takes over a *current* non-brokered Medicare Advantage Group plan would get paid on any new member growth effective the 1st of the month following receipt of the BOR and would also be eligible for a onetime payment based on the number of existing contracts.

Onetime payment based on contracts:

Commission Schedule	50-100 Contracts	101-250 Contracts	251+
Onetime Payment	$5,000	$10,000	$15,000

Please Note:

- Government-commissioned plans are not included in the Persistency Bonus Program.
- Payment will be made for active contracts, on a quarterly basis, beginning with the quarter after the effective date of the application.

Important Note: *Payment of commissions shall be exclusively governed by the terms of the applicable contract between BlueShield of Northeastern New York and the Independent Broker. This schedule is subject to regulatory approval. BlueShield of Northeastern New York reserves the right to amend or clarify this schedule at any time.*

Medicare Commission Schedule

Medicare Advantage Direct Pay/Individual Plan

The following commission schedule applies to **Direct Pay Products which include MSA, HMO, and PPO plans**.

Commission Schedule	Year 1	Year 2-6
Per Contract Payment	$300.00 new direct pay application	$150.00 per renewal

Direct Pay Referral Fee
One time $75 referral fee for leads that result in a new Direct Pay member.

Commission Guidelines

Brokers are not eligible for payment for members who cancel coverage and re-enter the plan over a three-year period. For example, if a member enrolls, cancels coverage in the second year and then re-enrolls in the third year, the broker will only be paid only for the first year of membership.

Payments will be made for Direct Pay contracts on a monthly basis. No payment will be released prior to the effective date and verification through CMS (Centers for Medical and Medicare Services).

Referral fees will be paid quarterly for leads that result in a Center for Medicare and Medicaid Services (CMS) confirmed enrollment. The member must be enrolled for a minimum of three consecutive months in order for the broker to earn the referral fee.

Please Note:
Three month consecutive enrollment does not apply to Medigap.

Important Note: *Payment of commissions shall be exclusively governed by the terms of the applicable contract between BlueShield of Northeastern New York and the Independent Broker. This schedule is subject to regulatory approval. BlueShield of Northeastern New York reserves the right to amend or clarify this schedule at any time.*

healthy changes
everything.®

BlueShield
of Northeastern New York

BlueShield of Northeastern New York is a division of HealthNow New York Inc., an independent licensee of the BlueCross BlueShield Association.

Confidential Information: This information is proprietary and confidential and should not be shared with outside parties.

Exhibit 4.1

2014 Broker Commission Schedule and Persistency Bonus Program (Amendment)

Pending NYSDFS Approval

At BlueCross BlueShield of Western New York, it is our mission in life to enhance the lives of our members.

We are excited to present to you our **Broker Commission Schedule and Persistency Bonus Program for 2014**. We look forward to continued success and value our partnerships with our brokers. We are committed to providing excellence to you and your clients.

If you have any questions regarding BlueCross BlueShield's Broker Commission Schedule and Persistency Bonus Program, please contact our Broker Program Department.

We'd like to take this opportunity to thank you for your dedicated partnership.

Kindest Regards,

Michael G. Conroy
Vice President,
WNY Commercial Group Accounts
BlueCross BlueShield of Western New York

Margaret Anderson
Vice President,
Government Programs

Commission Schedule

Qualifications

- For brokers to be considered for compensation on new business they must have been actively involved in the sales process **prior** to a written agreement by the group to offer a BlueCross BlueShield of Western New York (BCBS) product.
- To continue receiving commissions beyond the first year, and for all subsequent years, the broker must complete the renewal process on behalf of BlueCross BlueShield of Western New York.
- Upon receipt of a Broker of Record letter, there will be a 5 day grace period before the BOR will be honored, to provide for comprehensive review and approval. For payment purposes, the broker will become effective on the first day of the month following receipt of notification. The broker will remain in force for a minimum of 30 days.
- A broker's commissions will be protected on new groups in which the broker enacted the initial sale of the group to BlueCross BlueShield for the first 12 months of the contract.
- Upon broker notification of non-payment of commissions, BCBS will only pay commissions retroactively for community rated business up to a maximum of 90 days. For all other funding arrangements, including but not limited to Experience Rated business, BlueCross BlueShield will only pay commissions related to the current and prior plan years.
- Broker commissions will only be paid upon BlueCross BlueShield's receipt of payment of premiums or administrative fees from the group. Broker commissions will cease upon termination of the group with BCBS.

Please Note:

- DBC groups, chamber groups, associations and societies are not eligible to receive commissions.
- Individual marketplace membership is not eligible to receive commissions.
- Vision and Dental membership are not eligible to receive commissions.

Commission Schedule

Commercial Plans

New Medical Business

COMMUNITY RATED Small Group (under 50 eligible)

Product	Commission
Traditional Comprehensive PPO POS HMO	▸ 3.5% of monthly paid premium for full replacement.

COMMUNITY RATED Large Group (51+ eligible)

Product	Commission
Traditional Comprehensive PPO POS HMO	▸ Brokers that were receiving 3.5% commissions in 2013 will be converting to a $15 PEPM for 2014. ▸ Brokers that were receiving a PEPM payment in 2013 will maintain that PEPM payment level for 2014 and continue to follow the community rated PEPM schedule. ▸ New community rated large group business is not eligible for commissions.

Important Notes*:*
New Community rated groups with dual offering of competitor's program are not eligible for commissions.

Groups and brokers will be required to attest whether or not BCBS is the sole carrier.

Commission payments for HMO products cannot exceed a total of 4% of the collected premium for each individual group.

EXPERIENCE RATED

Products	Commission
All products for each separate account	▸ 4% on first $250,000 annualized premium. ▸ 3.5% on next $500,000 annualized premium. ▸ 2% on next $250,000 annualized premium. ▸ 1% on next $1.5 million annualized premium. ▸ 0.5% on balance. Any deviation from the standard scale must be acknowledged on the group's rate sheet and signed by an officer of the group prior to the group's implementation.

Commission Schedule

Commercial Plans

New Medical Business (cont.)

ALTERNATE FUNDED

All products	**Minimum Premium** Commissions on Minimum Premium Funding Arrangements will be calculated based on the standard scale for Experience Rated business (see page 4). Any deviation from the standard scale must be acknowledged on the final, executed rate sheet for the group. The commission percentage will be applied to a fully insured premium equivalent (prospective rate), at the time of inception or renewal, to establish a projected commission amount. The amount will then be converted to a per contract per month amount to be paid monthly. Timing of payment will coincide with receipt of payment of the monthly administrative fee. **Administrative Services Contract (ASC)** Will be paid on a per contract per month basis with BCBS approval.

ADMINISTRATIVE SERVICES ONLY

All products	Will be paid on a per contract per month basis with BCBS approval.

Commission Schedule
Broker-of-Record (BOR) Appointment
Commercial Plans
Existing Medical Business

COMMUNITY RATED (was direct with BCBS or under a chamber, association and/or society prior to BOR.)

Group Status	Commission
With previous paid broker	Commission is effective on the first of month following BOR appointment; pay at previous broker commission level.
Without previous paid broker	Commissions will be paid according to the following schedule if new small group contract requirements are met: Cumulative New Contracts / PEPM* Rate on All Direct Business 0 – 24 / $0 25 – 149 / $3.75 150+ / $7.50 ▸ A new small group is defined as a group consisting of 2-50 eligibles with a community rated product. The new group must not have been insured by BCBS in the previous 12 months. ▸ BOR transfers are not eligible to receive commissions on direct business until the new contract requirement, noted above, has been met. ▸ New contracts in 2011-2013 will carry forward to 2014. ▸ Payment will occur on a quarterly basis. ▸ New business procured through an Association, Chamber or Society qualifies toward the cumulative new contract total.

** Per Employee Per Month*

EXPERIENCE RATED

Group Status	Commission
With previous paid broker	Commission is effective first of month following BOR appointment; pay at previous broker commission level.
Without previous paid broker	Commission is effective at group's renewal, if BOR is received at least 90 days prior to renewal.

Commission Schedule

Commercial Plans

Important Information Regarding Experience Rated Commissions

Calculation: The first month's bill will be annualized to determine annual premium. This will be applied to the aforementioned scale to calculate the annualized commission. The annualized commission is divided by the annualized premium to determine an average commission percent. The average commission percent is applied to the monthly paid premium.

Medical: For groups with 250+ enrolled contracts, the broker has the option to request an adjustment to the BCBS standard commission schedule. Request must be submitted in writing at time of new business and/or renewal quote, and will be honored at BCBS discretion.

2014 New Business Bonus Program

Commercial Plans

Community Rated Business (under 50 eligible)

- BCBS will pay an additional $10 per contract per month.
- The additional per contract per month payment will be paid for a period of 12 months from the effective date of the new group.
- The bonus amount will be calculated and paid quarterly.
- Commission payments for HMO products cannot exceed a total of 4% of the collected premium for each individual group.

Experience Rated Business (over 50 eligible)

New Bonus Program for Brokers with < $100 Million in Annual Premium

Total Number of New Contracts	Annual Payout
51-100	$7,500
101-200	$15,000
201-250	$20,000
251-499	$25,000
500-749	$50,000
750-999	$75,000
1000-2499	$100,000
2500-4999	$150,000
5000+	$250,000

New Bonus Program for Brokers with > $100 Million in Annual Premium

Total Number of New Contracts	Annual Payout
51-100	$7,500
101-200	$20,000
201-250	$25,000
251-499	$30,000
500-749	$50,000
750-999	$75,000
1000-2499	$100,000
2500-4999	$150,000
5000+	$250,000

2014 New Business Bonus Program

Commercial Plans (Cont.)

Qualifications

- Bonus program only applies to new business effective between January 1, 2014 and December 31, 2014.
- A change in BOR will not be counted toward the bonus program. Groups transitioned from existing business will not be counted toward the bonus program.
- If a broker loses the BOR on a group within the first twelve months of the initial sale of the group, the broker will not be penalized for the loss of the BOR as it relates to the New Business Bonus Program. The group will count towards the total number of new contracts for that broker.
- Payment will be made on a quarterly basis based upon the contract threshold level achieved year-to-date. Brokers will be subject to repayment of bonus to BCBS if contract counts fall below a threshold achieved in prior quarters. The bonus program only applies to eligible groups insured or administered by BlueCross BlueShield of Western New York.
- Any existing group previously under a Chamber, Association or Society that is insured through BlueCross BlueShield will not be considered new business under any circumstance.
- The bonus program does not include business insured or administered by BlueCross BlueShield of Western New York's affiliates or by HealthNow New York, even if it is insured or administered by BlueCross BlueShield of Western New York.

2014 Persistency Bonus Program

In 2014, BlueCross BlueShield is offering a persistency bonus program to brokers who successfully help us retain and grow our valued membership.

Retention Rate for Less than $100 Million in Premium	PEPM* Payout	Retention Rate for Greater than $100 Million in Premium	PEPM* Payout
Less than 94.99%	$0	Less than 91.99%	$0
95.00% - 96.99%	$1.75	92.00% - 93.99%	$.75
97.00% - 98.49%	$2.50	94.00% - 95.99%	$3.25
98.50% - 100.49%	$4.25	96.00% - 97.99%	$4.00
100.50% - 102.49%	$5.25	98.00% - 99.50%	$5.50
102.50% +	$6.25	99.51% - 102.50%	$6.50
		102.51%-103.99%	$7.00
		104.00% +	$8.00

** Per Employee Per Month*

Requirements for less than $100 million in premium

- Minimum Book of Business of $7.5 million of **Insured** annual collected premium from 1/1/14 to 12/31/14. For purposes of meeting this requirement, premiums will include the existing book of business premium, new group premium and premium for new broker of record appointments.
- Minimum of 25 in-force **Insured** groups.
- Write 5 new, insured groups with a total of 100 contracts. New business requirement will be waived if a total of 250 new contracts are sold.
- Bonus payments are reduced by 50% if new business requirements are not met.

Requirements for greater than $100 million in premium

- Minimum Book of Business of $100 million of **Insured** Annual Collected Premium from 1/1/14 to 12/31/14. For purposes of meeting this requirement, premiums will include the existing book of business premium, new group premium and premium for new broker of record appointments.
- Minimum of 100 in-force **Insured** groups.
- Must bring in 350 new contracts not currently insured by BCBS.
- Bonus payments are reduced by 50% if new business requirements are not met.

2014 Persistency Bonus Program (cont.)

BlueCross BlueShield of Western New York

Retention Calculation

- The retention rate will be calculated based on the beginning membership as of 12/31/13 compared to ending membership on 12/31/14.
- BCBS will include 100% of total new contracts towards membership calculation for the year in calculating the retention rate (less than $100 million in premium.)
- BCBS will include 100% of total new membership towards membership calculation for the year in calculating the retention rate (greater than $100 million in premium.)
- If a broker loses a group due to a BOR transfer, the group will be removed from both beginning and ending membership.
- A broker will not be penalized upon the transfer of members from a Commercially Insured product to a BlueCross BlueShield Federal group product. The membership will be removed from both the beginning and ending membership.
- If a broker takes over a new BOR on an existing BCBS group and moves the business to a competitor, the membership will be added to the beginning membership of 12/31/13.

Payments

- Payments will be limited to a maximum of $100,000 per group.
- The combination of commission and persistency bonus payments cannot exceed a total of 5% of the collected premium for each individual group. Commission and bonus payment for HMO products cannot exceed 4% of collected premium for each individual group.
- Bonuses will be paid in March of the following year and are subject to regulatory approval.

Please Note:

- An additional $1.00 will be added to the ending PEPM if a broker retains at least 98% retention on December 31, 2014 for brokers with less than a $100 million in premium.
- Any membership in a Chamber group, Association or Society, as well as ASO, alternate funding and Medicare groups, will be excluded from the persistency bonus program.

Commission Schedule

Medicare Advantage Plans

The schedule below applies to all Senior Blue HMO and Forever Blue Medicare PPO and MSA Group Plans:

1st Year	$10.00 per contract per month
2nd Year	$12.00 per contract per month
3rd Year and thereafter	$15.00 per contract per month

The schedule below applies for Prescription Drug New Group Plans:

1st Year	$8.00 per contract per month
2nd Year	$10.00 per contract per month
3rd Year and thereafter	$12.00 per contract per month

Commission Guidelines

- Members must be enrolled in the Medicare Advantage plan ***through an employer group***.
- This schedule of commission is not applicable to direct pay Medicare Advantage members.
- An employer group must consist of a minimum of two applications.
- Enrollees must remain in a Senior Blue HMO or Forever Blue Medicare PPO plan for a minimum of three months.
- Brokers are not eligible for payment on the same member who cancels coverage and re-enrolls in the plan within a three-year period. For example, if a member enrolls, cancels coverage in the second year, and then re-enrolls in the third year, the broker will only be paid for the first year of membership.
- Payments will be made for active contracts, on a quarterly basis, beginning with the quarter after the effective date of the application.
- Broker Commissions are paid only after receipt of premiums.

Please Note:

- Government-commissioned plans are not included in the Persistency Bonus Program.
- A Broker who takes over a *current* non brokered Medicare Advantage Group plan that has 400 or more members (contracts) would get paid on any new member growth effective the 1st of the month following receipt of the BOR and would also be eligible for a one time payment of $10,000 .

Important Note: *Payment of commissions shall be exclusively governed by the terms of the applicable contract between BlueCross BlueShield of Western New York and the Independent Broker. This schedule is subject to regulatory approval. BlueCross BlueShield of Western New York reserves the right to amend or clarify this schedule at any time.*

BlueCross BlueShield of Western New York is a division of HealthNow New York Inc., an independent licensee of the BlueCross BlueShield Association.

Commission Schedule

Medicare Plans

The following commission schedule applies to Direct Pay Products (HMO, PPO and MSA):

Year 1	$300 per direct pay new (initial) medical application
Year 2-6	$100 per renewal

A one-time $75 referral fee is available to brokers appointed with BCBS that result in a new direct pay member. *(Signature form and workflow will be distributed separately.)*

Override $75 per contract (new and renewal for special broker agreement).

Commission Guidelines

Brokers are not eligible for payment for members who cancel coverage and re-enter the plan over a three-year period. For example, if a member enrolls, cancels coverage in the second year and then re-enrolls in the third year, the broker will only be paid only for the first year of membership.

Payments will be made quarterly after the effective date of the application so long as the member is enrolled in one of our Medicare Plans.

Referral fees will be paid quarterly for leads that result in a CMS confirmed enrollment. The member must be enrolled for a minimum of three consecutive months in order for the broker to earn the referral fee.

Please Note:
Three month consecutive enrollment does not apply to Medigap.

Important Note: *Payment of commissions shall be exclusively governed by the terms of the applicable contract between BlueCross BlueShield of Western New York and the Independent Broker. This schedule is subject to regulatory approval. BlueCross BlueShield of Western New York reserves the right to amend or clarify this schedule at any time.*

BlueCross BlueShield of Western New York is a division of HealthNow New York Inc., an independent licensee of the BlueCross BlueShield Association

HealthNow
HealthNow New York Inc.

2014 – Downstate New York Commission Schedule

Medicare Advantage Employer Group Plans

Employer Group Business

The following commission schedule **applies to Medicare Medical Savings Plan Employer Group Business**:

Commission Schedule	Year 1	Year 2	Year 3 and thereafter
Per Contract Per Month	$25.00	$30.00	$35.00

The following Commission schedule applied to **Stand Alone Employer Group Prescription Drug Plan (PDP).**

Commission Schedule	Year 1	Year 2	Year 3 and thereafter
Per Contract Per Month	$10.00	$12.00	$15.00

Commission Guidelines

- Members must be enrolled in the **Medicare Medical Savings Account** ***through an employer group***.
- An Employer Group must consist of a minimum of two applications.
- Brokers are not eligible for payment on the same member who cancels coverage and *re-enters the plan during a three-year period. For example, if a member enrolls, cancels* coverage in the second year and then re-enrolls in the third year, the broker will only be paid for the first year of membership.
- Payments for EMPG business will be made for active contracts, on a quarterly basis, beginning with the quarter after the effective date of the application.
- Broker commissions are paid only after receipt of premium.

HealthNow
HealthNow New York Inc.

2014 Medicare Plan Commission Schedule for Indivdiual Agents

Direct Pay Medicare Advantage

	Initial Year 1	Renewal Years 2-6
Medicare Advantage (MSA,HMO-POS)	$425	$213
Stand Alone Prescription Drug Plan (PDP)	$40	$20

Medicare Supplement Products

	Years 1-6
Plans B,C,E,F	$300
Plans A,F+,H	$150

Commission Guidelines

- The agent must remain in good standing with HealthNow New York to receive initial and renewal commissions. The agent must:
  - maintain an active sales license,
  - be appointed by HealthNow, and
  - complete the annual Medicare certification and product training for HealthNow Medicare Advantage and Part D plans with a passing score of at least 90% or greater.

- This commission schedule applies to Medicare Advantage (MA), Medicare Advantage - Prescription Drug (MAPD), Medicare Part D (PDP), and Medicare Supplement enrollment.

- Agents who enroll a beneficiary in a HealthNow MA, MA-PD, PDP, or Medicare Supplement plan with an effective date between Jan. 1, 2014 through Dec. 31, 2014, will be paid a lump sum equal to the annual commission rate following the enrollment.
  - The lump sum will be based on whether the business qualifies as initial or renewal business.

- Renewal compensation rates are based on member's original effective date.
  - Existing business that renews will continue to be compensated based on the renewal schedule that was in place at the time of initial enrollment.

- Renewal compensation for direct pay Medicare Advantage is also paid when a beneficiary enrolls in a "like plan type" (a different plan within the same organization) following the initial year of enrollment.

- Brokers are not eligible for payment for members who cancel coverage and re-enter the plan over a three-year period.
  - Example: If a member enrolls and cancels coverage in the second year, and then re-enrolls in the third year, you will only be paid for the first year's membership.

- HealthNow is required to recover all commission payments when a beneficiary disenrolls from our plans within the first three months, or 90 days of enrollment.

- The agent is responsible to understand and comply with all CMS requirements for sales and marketing, including all sales materials, and to remain informed on all rules and regulations provided to them by HealthNow in regards to Medicare Advantage and/or Part D products.

- Broker commissions are only paid after receipt of premium.

*The Override Commission only applies to certain agents/brokers.

Important Note: Payment of commissions shall be exclusively governed by the terms of the applicable contract between HealthNow New York Inc. and the independent broker. This schedule is subject to regulatory approval. HealthNow New York Inc. reserves the right to amend or clarify this schedule at any time.

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2014 Medicare Plan Commission Schedule for Tier 2 Brokers

Direct Pay Medicare Advantage

	Initial Year 1	Renewal Years 2-6
Medicare Advantage (MSA,HMO-POS)	$425	$213
Stand Alone Prescription Drug Plan (PDP)	$40	$20

Medicare Supplement Products

	Years 1-6
Plans B,C,E,F	$300
Plans A,F+,H	$150

Override Commission (special broker agreement)

	Initial Year 1	Renewal Years 2-6
Medicare Advantage (MSA,HMO-POS)	$100	$75
Medicare Supplement	$75	$75
Stand Alone Prescription Drug Plan (PDP)	$10	$5

Commission Guidelines

- The general agent must remain in good standing with HealthNow New York to receive initial and renewal commissions. The agent must:
  - maintain an active sales license,
  - be appointed by HealthNow, and
  - complete the annual Medicare certification and product training for HealthNow Medicare Advantage and Part D plans with a passing score of at least 90% or greater.

- This commission schedule (including with respect to Override Commission*) applies to Medicare Advantage (MA), Medicare Advantage -Prescription Drug (MAPD), Medicare Part D (PDP), and Medicare Supplement enrollment.

- General agents who enroll a beneficiary in a HealthNow MA, MA-PD, PDP, or Medicare Supplement plan with an effective date between Jan. 1, 2014 through Dec. 31, 2014, will be paid a lump sum equal to the annual commission rate following the enrollment.
  - The lump sum will be based on whether the business qualifies as initial or renewal business.

- Renewal compensation rates are based on member's original effective date.
  - Existing business that renews will continue to be compensated based on the renewal schedule that was in place at the time of initial enrollment.

- Renewal compensation for direct pay Medicare Advantage is also paid when a beneficiary enrolls in a "like plan type" (a different plan within the same organization) following the initial year of enrollment.

- Brokers are not eligible for payment for members who cancel coverage and re-enter the plan over a three-year period.
  - Example: If a member enrolls and cancels coverage in the second year, and then re-enrolls in the third year, you will only be paid for the first year's membership.

- HealthNow is required to recover all commission payments when a beneficiary disenrolls from our plans within the first three months, or 90 days of enrollment.

- The general agent is responsible to understand and comply with all CMS requirements for sales and marketing, including all sales materials, and to remain informed on all rules and regulations provided to them by HealthNow in regards to Medicare Advantage and/or Part D products.

- Broker Commissions are only paid after receipt of premium.

*The Override Commission only applies to certain agents/brokers.

Important Note: Payment of commissions shall be exclusively governed by the terms of the applicable contract between HealthNow New York Inc. and the independent broker. This schedule is subject to regulatory approval. HealthNow New York Inc. reserves the right to amend or clarify this schedule at any time.

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2014 Medicare Plan Commission Schedule for Tier 3 Brokers

Direct Pay Medicare Advantage

	Initial Year 1	Renewal Years 2-6
Medicare Advantage (MSA,HMO-POS)	$425	$213
Stand Alone Prescription Drug Plan (PDP)	$40	$20

Medicare Supplement Products

	Years 1-6
Plans B,C,E,F	$300
Plans A,F+,H	$150

Override Commission (special broker agreement)

	Initial Year 1	Renewal Years 2-6
Medicare Advantage (MSA,HMO-POS)	$75	$75
Medicare Supplement	$75	$75
Stand Alone Prescription Drug Plan (PDP)	$10	$5

Commission Guidelines

- The agent must remain in good standing with HealthNow New York to receive initial and renewal commissions. The agent must:
  - maintain an active sales license,
  - be appointed by HealthNow, and
  - complete the annual Medicare certification and product training for HealthNow Medicare Advantage and Part D plans with a passing score of at least 90% or greater.

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- This commission schedule (including with respect to Override Commission*) applies to Medicare Advantage (MA), Medicare Advantage -Prescription Drug (MAPD), Medicare Part D (PDP), and Medicare Supplement enrollment.

- Agents who enroll a beneficiary in a HealthNow MA, MA-PD, PDP, or Medicare Supplement plan with an effective date between Jan. 1, 2014 through Dec. 31, 2014, will be paid a lump sum equal to the annual commission rate following the enrollment.
    - The lump sum will be based on whether the business qualifies as initial or renewal business.

- Renewal compensation rates are based on member's original effective date.
    - Existing business that renews will continue to be compensated based on the renewal schedule that was in place at the time of initial enrollment.

- Renewal compensation for direct pay Medicare Advantage is also paid when a beneficiary enrolls in a "like plan type" (a different plan within the same organization) following the initial year of enrollment.

- Brokers are not eligible for payment for members who cancel coverage and re-enter the plan over a three-year period.
    - Example: If a member enrolls and cancels coverage in the second year, and then re-enrolls in the third year, you will only be paid for the first year's membership.

- HealthNow is required to recover all commission payments when a beneficiary disenrolls from our plans within the first three months, or 90 days of enrollment.

- The agent is responsible to understand and comply with all CMS requirements for sales and marketing, including all sales materials, and to remain informed on all rules and regulations provided to them by HealthNow in regards to Medicare Advantage and/or Part D products.

- Broker commissions are paid only after receipt of premium.

*The Override Commission only applies to certain agents/brokers.

Important Note: Payment of commissions shall be exclusively governed by the terms of the applicable contract between HealthNow New York Inc. and the independent broker. This schedule is subject to regulatory approval. HealthNow New York Inc. reserves the right to amend or clarify this schedule at any time.

Medicare Advantage Direct Pay/Individual Plans

Direct Pay Medicare Advantage

The following commission schedule applies to Direct Pay Medicare Advantage

Commission Schedule	Initial Year 1	Years 2-6
Per Contract Payment	$425	$213

The following commission schedule applies to Stand Alone Direct Pay Prescription Drug Plan (PDP).

Commission Schedule	Year 1	Years 2-6
Prescription Drug Plan (PDP)	$40	$20

The following commission schedule applied to Direct Pay Medicare Supplement Products

Commission Schedule	Years 1-6
Plans B,C,E,F	$300
Plans A,F+,H	$150

Commission Guidelines

- Agent must remain in good standing with HealthNow New York to receive initial and renewal commissions. The agent must:
  - maintain an active sales license,
  - be appointed by HealthNow, and
  - complete the annual Medicare certification and product training for HealthNow Medicare Advantage and Part D plans with a passing score of at least 90% or greater.

- This commission schedule applies to Medicare Advantage (MA), Medicare Medical Savings Plan, Medicare Supplement, and Part D Prescription Drug (PDP) enrollment.

- Agents who enroll a beneficiary in a HealthNow MSA and/or PDP or Medicare Supplement plan with an effective date between January 1, 2014 through Dec. 31, 2014, will be paid a lump sum equal to the annual commission rate following the enrollment.

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- The lump sum will be based on whether the business qualifies as initial or renewal business.

- Renewal compensation rates are based on member's original effective date.
  - Existing business that renews will continue to be compensated based on the renewal schedule that was in place at the time of initial enrollment.

- Renewal compensation for direct pay Medicare Advantage is also paid when a beneficiary enrolls in a "like plan type" (a different plan within the same organization) following the initial year of enrollment.

- Brokers are not eligible for payment for members who cancel coverage and re-enter the plan over a three-year period.
  - Example: If a member enrolls and cancels coverage in the second year, and then re-enrolls in the third year, you will only be paid for the first year's membership.

- HealthNow is required to recover all commission payments when a beneficiary disenrolls from our plans within the first three months, or 90 days of enrollment.

- The agent is responsible to understand and comply with all CMS requirements for sales and marketing, including all sales materials, and to remain informed on all rules and regulations provided to them by HealthNow in regards to Medicare Advantage and/or Part D products.

Important Note: Payment of commissions shall be exclusively governed by the terms of the applicable contract between HealthNow New York Inc. and the independent broker. This schedule is subject to regulatory approval. HealthNow New York Inc. reserves the right to amend or clarify this schedule