OptiFlex™ Funding Employer FAQ

VIGILANT
benefits for employers

What is the required employee enrollment minimum?
A minimum of 51 employees must be enrolled to be eligible for OptiFlex

What medical plans are available?
The same medical plans offered by Vigilant Manufacturers' Trust are available through OptiFlex.

Are ancillary products available with OptiFlex medical plans?
Yes, all Trust ancillary products (dental, vision, life, etc.) are available to OptiFlex groups. Common enrollment and consolidated billing are required.

Will access to a business' financial information be required?
Unlike traditional self-funded plans, OptiFlex does not require accessibility to the credit and financial information of your company.

How do OptiFlex groups pay their bill?
Payment must be set up via bank draft (ACH pull from Benefit Solutions Inc). A separate ACH form must be completed.

Do groups have to pay as billed?
Yes, OptiFlex funding requires that you pay as billed. Not paying as billed will impact delinquency status. It may result in pended claims payments and could negatively impact eligibility for new enrollees for that month's payment. As a result of pay as billed, binder checks are not required. Please note that invoices will be sent from Benefit Solutions Inc (BSI) and not from Premera.

What kind of reports are available?
Groups will have access to detailed claims data in an easy-to-review format through Premera's online tool, Insight Reporter.

What is the Transitional Reinsurance Program Fee and who pays the federally required reinsurance fee?
Included among the fees established by the Patient Protection and Affordable Care Act (PPACA) is the Transitional Reinsurance Program Fee. The Transitional Reinsurance Program, funded by the fee, has the goal of stabilizing the effect of high-risk individuals entering the individual health insurance market.
For groups with OptiFlex funding, the fee will be the responsibility of the employer.

What is the Patient-Centered Outcomes Research Institute (PCORI) and who pays the federally required fee to help fund it?
The Patient Protection and Affordable Care Act (PPACA) established PCORI to fund and conduct research that determines the effectiveness of various forms of medical services that treat, manage, diagnose or prevent illness or injury. For groups with OptiFlex funding, the fee will be the responsibility of the employer.

What is specific stop-loss and what stop-loss levels are available with OptiFlex?
Specific stop-loss insurance provides financial protection from large medical and prescription claims for an individual for self-insured employers. Stop-loss levels are based upon the number of enrolled employees:
51-99: $50,000
100-199: $75,000
200+: $100,000

What stop-loss contract type is available with OptiFlex and what is terminal liability?
New groups
12/12 + 15: claims incurred in 12–month contract period / paid in 12–month contract period, with 15 months of terminal liability protection.
Renewing groups
Paid in 12 + 15: claims paid in 12–month contract period with 15 months of terminal liability protection, which is built in to the stop-loss rate..
Terminal liability protection extends the paid claims period by a set number of months in the year of termination only, covering claims paid after the policy termination date.

How do you calculate the renewal?
Premera will use the same standard formula used for traditional self-funded renewals for calculating claims, stop-loss and administration fees for OptiFlex plans.

How long after the completion of a plan year is the account reconciliation?
The annual accounting is performed within 120 days of your contract period end date.

<u>Claims surplus scenarios</u>

What happens when a group renews with OptiFlex and has a claims surplus?
The group is eligible for a 50 percent refund of the claims surplus.

What happens when a group has a claims surplus and converts their plan from OptiFlex to a fully insured Premera plan?
The group is eligible for a 50 percent refund of the claims surplus.

What happens when a group with a surplus and converts their plan from OptiFlex to an administrative services contract with stop-loss?
The group is eligible for a 50 percent refund of the claims surplus.

What happens if a group has a claims surplus, terminates their OptiFlex plan and leaves Premera?
There is no refund of the surplus.

<u>Claims deficit scenarios</u>

What happens when a group renews their OptiFlex plan and has a deficit?
There is no deficit carry forward provision. Stop-loss covers the deficit.

What happens if a group has a deficit and converts their plan from OptiFlex to a fully insured Premera plan?
Stop-loss covers the deficit.

What happens if a group has a deficit and converts their plan from OptiFlex to an administrative services contract with stop-loss?
Stop-loss covers the deficit.

What happens if a group has a deficit and terminates their OptiFlex plan and leaves Premera?
Stop-loss covers the deficit.