



August 22, 2005



ROCKY MOUNTAIN
HEALTH PLANS®
Good health. That's the plan.

BROKER BRIEFINGS
NEWS
flash

Attention Brokers!!

Streamlined New Group Submissions!
RMHP Website Changes!

Rocky Mountain Health Plans is pleased to announce our NEW GROUP SUBMISSION POLICY, effective for October 1, 2005 business.

RMHP will be streamlining the process for groups of 2-50, which includes **reducing the tax and wage documentation required and provide for a later cut off date for groups of 2-4 eligible employees.** Attached to this News Flash, you will find the UPDATED New Group Checklist, which specifies the required documentation needed for RMHP to underwrite your small group clients.

Brokers, we want your business! We know that in order to earn your business, we need to offer competitive rates and provide a seamless transition for your clients. Our goal and pledge to you is that RMHP will provide straightforward new group documentation requirements and prompt, efficient service during the new group submission process.

But we need your help, too! RMHP is committed to providing quality, seamless care to our members. The first step in striving to meet this goal is to provide an ID card to our new members by the first day of eligibility. In order to do this, we must receive new group applications that are complete, including all required information, as early as possible and no later than the cut off date. RMHP will work with you to obtain missing information, however without your help, the group could experience unnecessary delays, or even be declined.

Please review our UPDATED New Group Checklist and Broker Underwriting Guidelines (attached).

Your RMHP Account Executive will be happy to answer any questions you may have on our New Group Submission policy. As always, thank you for your support and interest in representing Rocky Mountain Health Plans. Your feedback is invaluable and helps to guide our growth and success.



BROKER BRIEFINGS NEWS FLASH

Check Out Our New Look at www.rmhp.org!

Rocky Mountain Health Plans has redesigned our website to give you more information, helpful on-line tools, and many other new features that will make it easy and interesting to move through our pages. You'll see that we have added easy-access pull-down menus and a list of tools and information on the first page of each section.

Now you can quickly find out about us, our plans, and what we've been doing that's made the news. As before, the most current version of Enrollment Materials, Benefit Summaries and Plan Descriptions Forms, as well as the Provider Directory, are just a click away. Our updated New Group Checklist and Broker Enrollment Guidelines are also available on our new site.

You will also find the site to be more user friendly. For example, members who are traveling can simply log on and search for contracted pharmacies located in the city they are visiting. There are links to RxWest so members can download forms to request prescriptions or refills by mail. Information on making the most of plan benefits are now organized by RMHP product line. And, we have included special program information for managing chronic conditions, such as heart disease and diabetes, and prevention-focused resources such as immunization schedules, and more.

Can't find what you need? If you can't find a particular form or document, please contact your RMHP Account Executive and we will help you navigate through the new site.

Thank You!

As always, if you have any questions or comments or need assistance, please call your Rocky Mountain Health Plans Account Executive.

Grand Junction 970-244-7760 or 800-453-2981	Denver 303-689-7367 or 800-823-8356
Durango 970-385-5131 or 888-662-6489	Pueblo 719-253-3900 or 888-332-8963
Glenwood Springs 970-928-8618 or 800-793-1339	Colorado Springs 719-632-1237

New Group Checklist

Account Information						
Group Size <i>(Application must be submitted to local RMHP office by this day prior to requested effective date)</i>						
<input type="checkbox"/> BG-1 (5 th of month)		<input type="checkbox"/> 2-50 (15 th of month)		<input type="checkbox"/> 51+ (15 th of month)		
Group Name						
Producer Name			E-Mail Address		RMHP Account Executive/Manager	
Producer Agency			Producer (Payee) License #/Tax ID			
Prior Carrier			Date Received by Marketing	Requested Effective Date	Check Amount Submitted	
Medical Plan		Rx Plan	Chiropractic Plan	Dental/Vision Plan	Other	PHCS Network Access Large Group Only

Application Document Checklist	
<i>(All boxes and lines must be completed or indicated not applicable)</i>	
Business Groups of 1	Groups of 2 or More
<input type="checkbox"/> BG-1 Application including completed Health Questionnaire	<input type="checkbox"/> Group Application
<input type="checkbox"/> 1st Month's Premium	<input type="checkbox"/> 1st Month's Premium
<input type="checkbox"/> Current Physical Exam Records <i>(within the past 12 months)</i> for applicants 45 years or older ❶ ❺	<input type="checkbox"/> Proof of Creditable Coverage <i>(detailed premium statements listing employee names for up to past 6 consecutive months are required)</i> ❶ ❷
<input type="checkbox"/> Attestation for BG-1	<input type="checkbox"/> Tax & Wage Documentation <i>(see Tax & Wage Requirements)</i> ❷ ❸ ❹
<input type="checkbox"/> Proof of Creditable Coverage <i>(detailed premium statements listing names for up to past 6 consecutive months are required)</i> ❶	Required Enrollment Documents - Indicate # of Forms Attached
<input type="checkbox"/> Tax & Wage Documentation <i>(see requirements on page 2)</i> ❸	# of Enrollment Forms
<input type="checkbox"/> Waiver Form <i>(for eligible dependent declining coverage) waivers declining for other coverage, include copy of other carrier ID</i>	# of Previous Health Insurance Information <i>(should be same as enrollment #)</i>
<input type="checkbox"/> Previous Health Insurance Information ❶	# of Health Status Questionnaires
<input type="checkbox"/> Open Enrollment Certification Form <i>(Basic & Standard Plans)</i>	# of Waivers <i>(for eligible employees declining coverage because they already have other coverage, include copy of other carrier ID)</i>
<input type="checkbox"/> Student Status Form <i>(for students age 19 and older)</i>	# of Dependent Waivers <i>(include spouse waiver if both are employed by same company and enrolling separately)</i>
<input type="checkbox"/> Common Law Spouse Form	# of Student Status Forms <i>(for students age 19 and older)</i>
<input type="checkbox"/> Disenrollment Form <i>(for employee cancelling other RMHP coverage)</i>	# of Common Law Spouse Forms
	# of Disenrollment Forms <i>(for employee cancelling other RMHP Coverage)</i>
	# of COBRA/Continuation of Coverage Forms <i>(all participants have been notified of the plan change)</i>

Tax & Wage Document Checklist for 2-50 ❷ ❸
UITR: Groups of 2-50 Eligible Employees
<input type="checkbox"/> Most recent Unemployment Insurance Tax Report (UITR) and supporting Quarterly Report of Worker Wages. (If only one individual is enrolling in the plan, the two most recent UITRs must be submitted.) The number of hours worked per week for each employee listed must be written on the UITR, regardless of eligibility. If the group is not required to file a UITR, please see ❹.
<p>Please note: Each employee enrolling must appear on the UITR and show income sufficient to verify the required hours worked. If any of the employees enrolling (including owners of the business) do not appear on the UITR, the following documents will be required, listed in order of priority:</p>
Owner:
<input type="checkbox"/> W2 form — if not available, RMHP will accept:
<input type="checkbox"/> Copy of owner draws — if not available, RMHP will accept:
<input type="checkbox"/> Owner tax schedule that applies (i.e., C, E, F, S, or SE)
<input type="checkbox"/> If none of the above items are available, RMHP will require a copy of the Articles of Incorporation and other documentation to substantiate eligibility for group coverage. Please contact your RMHP Account Executive to determine the specific documentation that should be submitted with your application.
Employees:
<input type="checkbox"/> W4 form and current payroll documents



SMALL EMPLOYER GROUP Enrollment Guidelines



ROCKY MOUNTAIN
HEALTH PLANS®
Good health. That's the plan.

Rocky Mountain Health Plans enrollment guidelines for small employer groups are divided into two employer size categories:

Small Employer Groups – Guaranteed Issue (Groups of 2–50 employees)

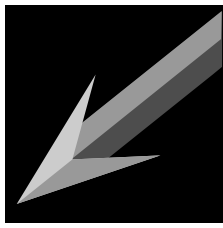
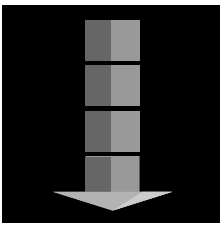
A small employer is an employer who employed an average of at least two but not more than 50 employees on at least 50% of the business days during the preceding calendar year and who employs at least two employees on the first day of the plan year.

Within the Small Employer Group segment, two rating methodologies apply:

- 1) Employer groups with 2–9 employees are rated with age-banded rates.
- 2) Employer groups with 10–50 employees have the choice between age-banded and composite rates.

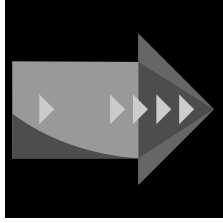
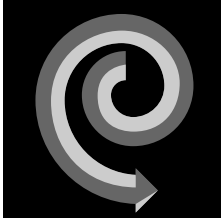
Business Groups of One (BG1) – Subject to Medical Underwriting (Except for Basic and Standard Plans)

An individual, sole proprietor, or single full-time employee of a business who works at least 24 hours or more per week on a permanent basis. A BG1 must have carried on significant business activity for at least one year prior to applying for coverage. This same business must provide proof of substantial income in the form of IRS forms as described in this reference guide. Age-banded rates will be quoted.



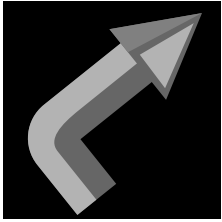
Employer Group Product Lines

Rocky Mountain Health Plans offers a broad selection of plan designs to accommodate your employer group needs. For more specific and detailed information about these products, contact your account executive or check our website, www.rmhp.org.



Plans Underwritten by Rocky Mountain HealthCare Options

- Rocky Mountain Choice PPO
- Rocky Mountain Direct PPO
- Rocky Mountain Direct EPO
- Rocky Mountain Good Health Savings Plans



Plans Underwritten by Rocky Mountain HMO

- Rocky Mountain Choice HMO
- Rocky Mountain Direct HMO
- "C" Plans
- Rocky Mountain Good Health Savings Plans

Application Deadlines for Small Employer Groups

- 5th of the month prior to requested enrollment date for BG1s
- 15th of the month prior to requested enrollment date for groups of 2–50
(If the deadline falls on a weekend or holiday, deadline will be the first business day thereafter.)



Coverage Effective Date

With payment of premiums, a new group's coverage will be effective the 1st of the month following the application deadline. (All necessary documentation must be received and approved by the deadline; otherwise, coverage will be deferred until all documentation is received and approved.)

Small Group Rate Banding

Final group rates are calculated by RMHP based on the review of the Health Status Questionnaires for each enrolling subscriber. Final rates may be adjusted from the community rating up to 10% more or down to 25% less. In specific cases, an additional 35% may be applied to the initial quoted rates, as allowed by state law.

Underwriting Rights Reserved

The health plans reserve the right to decline and/or defer any new business application that, in their opinion, does not meet underwriting criteria, except where prohibited by law.

Pre-Existing Condition Limitations Apply to All Small Group Business (Except Basic and Standard Plans)

The health plan will apply a limitation period for coverage for pre-existing medical conditions of up to 12 months from the member's enrollment date for BG1s and up to 6 months from the member's enrollment date for groups with 2-50 employees. This limitation period could be reduced or eliminated for each family member who has prior creditable coverage. Creditable coverage includes health care coverage provided under Medicare, Medicaid, an employee welfare benefit plan or group health insurance plan, an individual health benefit plan, or a state health benefits risk pool (including CoverColorado). Creditable coverage is valid if it was continuous and ended within 90 days prior to enrollment. Proof of prior creditable coverage must be submitted with the enrollment materials.

Employer Group Enrollment Guidelines

The following documentation is required when submitting an application

Groups of 2–50 Eligible Employees

- Group Application
- 1st Month's Premium
- Proof of Creditable Coverage (detailed premium statements listing employee names for up to past six consecutive months)
- Tax & Wage Documentation (see Tax & Wage Requirements)
- Enrollment Forms
- Previous Health Insurance Information (should be same as enrollment #)
- Health Status Questionnaires
- Waivers (for eligible employees declining coverage because they already have other coverage, **include copy of other carrier ID**)
- Dependent Waivers (include spouse waiver if both are employed by same company and enrolling separately)
- Student Status Forms (for students age 19 and older)
- Common Law Spouse Forms
- Disenrollment Forms (for employee cancelling other RMHP coverage)
- COBRA/Continuation of Coverage Forms (all participants have been notified of the plan change)

Tax and Wage Documentation

- For groups with 2-50 eligible employees, RMHP requires the Unemployment Insurance Tax Report (UITR) and the supporting Quarterly Report of Worker Wages. Each applying employee must appear on UITR showing income of at least minimum wage for the established eligibility hours. For employees not appearing on the UITR, write name on UITR and submit proof of current employment (example: paystub, W4). Number of hours worked for each employee must also be written on the UITR.

If the owner of the business does not appear on the UITR, the following documents will be required, listed in order of priority:

- W2 form – if not available, RMHP will accept:
- Copy of owner draws – if not available, RMHP will accept:
- Owner tax schedule that applies (i.e., C, E, F, S, or SE)
- If none of the above items are available, RMHP requires a copy of the Articles of Incorporation along with other documentation to substantiate eligibility for group coverage. Please contact your RMHP Account Executive to determine the specific documentation that should be submitted with your application.

Business Groups of One (BG1)

- BG1 Application, including completed Health Questionnaire
- 1st Month's Premium
- Current Physical Exam Records (within the past 12 months) for applicants 45 years or older
- Attestation for BG1
- Proof of Creditable Coverage (detailed premium statements listing names for up to past six consecutive months are required)
- Tax & Wage Documentation
- Waiver Form (for eligible dependent declining coverage) waivers declining for other coverage, include copy of other carrier ID
- Previous Health Insurance Information
- Open Enrollment Certification Form (Basic & Standard Plans)
- Student Status Form (for students age 19 and older)
- Common Law Spouse Form
- Disenrollment Form (for employee cancelling other RMHP coverage)

Tax and Wage Documents Required for Business Groups of One	
<input type="checkbox"/> C Corp	<input type="checkbox"/> Company Form 1120 <input type="checkbox"/> Owner Form 1040, pages 1&2 <input type="checkbox"/> Owner Schedule E
<input type="checkbox"/> S Corp	<input type="checkbox"/> Company Form 1120S <input type="checkbox"/> Company Schedule K1 <input type="checkbox"/> Owner Form 1040, pages 1&2 <input type="checkbox"/> Owner Schedule E
<input type="checkbox"/> Partnership or LLC	<input type="checkbox"/> Company Form 1065 <input type="checkbox"/> Company Schedule K1 <input type="checkbox"/> Owner Form 1040, pages 1&2 <input type="checkbox"/> Owner Schedule E <input type="checkbox"/> Owner Schedule SE
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Owner Form 1040, pages 1&2 <input type="checkbox"/> Owner Schedule C <input type="checkbox"/> Schedule SE
<input type="checkbox"/> Nonprofit	<input type="checkbox"/> Organization Articles of Incorporation <input type="checkbox"/> Organization Form 990 <input type="checkbox"/> W2s or paystub with deductions for each employee (most current three months)
<input type="checkbox"/> Farm	<input type="checkbox"/> Company Form 943 <input type="checkbox"/> Owner Form 1040, pages 1&2 <input type="checkbox"/> Owner Schedule F <input type="checkbox"/> W2s or paystub with deductions for each employee (most current three months)
RMHP Reserves the Right to Require Additional Tax & Wage Documentation for Any Group Size	

This is a general list of documents that may be required. The health plans reserve the right to request additional information as deemed appropriate or as provided for in guidelines established by the Division of Insurance and Colorado State Statutes and other governing authorities that may apply to each case.

General Small Employer Group Enrollment Guidelines

Participation Requirements



The minimum requirement is that 75% of all eligible employees must participate in the plan. Eligible employees waiving coverage for reasons other than having other group creditable coverage will be counted in determining participation requirements. Eligible employees waiving group coverage because they are already covered by an Individual plan may impact participation requirements. RMHP will request a copy of their member ID or billing statement to verify enrollment date on the Individual plan.

Eligible employees must work at least 24 hours per week on a regular basis. Married employees can choose to enroll as subscriber and dependent, rather than as two separate subscribers, if participation requirements are met. However, in that case, the older spouse must always be enrolled as the subscriber.

Contribution Requirements

Employer must contribute at least 50% of the employee's single rate. In the case of age-banded rates, 50% contribution is based on the single rate of each age bracket.



Residency Requirements

Employees must either reside or work in our service area to be eligible for enrollment and to continue receiving benefits.

Geographic Locations

Small employer groups that have offices in more than one location in Colorado must offer RMHP health plans in all geographic locations included in our service area.



Rocky Mountain Health Plans is a Colorado health carrier that offers health coverage in all counties of Colorado. Small employer groups with more than 50% of their employees working in Colorado may apply for coverage through RMHP and be covered under Colorado small group regulations.

Dual Choice Offerings

Small employer groups with 10 or more employees enrolling have the option of a dual choice arrangement. RMHP offers the following dual choice options:

- Any RMHP (HMO or PPO) plan design and HDHP (HMO or PPO) 5000
- Any RMHP (HMO or PPO) plan design and RM Choice PPO 5K or 10K
- RM Choice PPO 1500 80/60 and PPO HDHP 3250 with RX
- RM Choice PPO 1000 80/60 and PPO HDHP 2650 with RX
- RM Choice PPO 1500 80/60 and PPO HDHP 2500 with RX
- RM Choice PPO G 1800 and HDHP 2500 with RX

Use our website at www.rmhp.org

to get application or enrollment forms, to get product information, to see our drug formulary, to view our provider directory, or to e-mail our marketing staff.

Corporate/Regional Offices

Grand Junction – Corporate Offices

2775 Crossroads Blvd.

Grand Junction, CO 81506

970-244-7800 – 800-453-2981

Fax: 970-244-7795

Colorado Springs

422 East Vermijo, Suite 209

Colorado Springs, CO 80903

719-632-1237

Fax: 719-219-6492

Denver

5990 Greenwood Plaza Blvd., Suite 125

Greenwood Village, CO 80111

303-689-7371 – 800-823-8356

Fax: 303-770-0601

Durango

72 Suttle Street, Suite C

Durango, CO 81303

970-385-5131 – 888-662-6489 (option 1)

Fax: 970-385-7686

Glenwood Springs

817 Colorado Ave., Suite 107

Glenwood Springs, CO 81601

970-928-8618 – 800-793-1339

Fax: 970-945-0611

Pueblo

200 West 1st Street, Suite 304

Pueblo, CO 81003

719-253-3900 – 888-332-8963

Fax: 719-543-7694