

# Health Net Life underwriting guidelines



## Groups of 2–9 enrolling

### *General guidelines*

- Minimum Life benefit is \$15,000.
- Employer contribution and participation must be 100 percent.
- “Flat” (no salary or position schedules) benefit schedules available only.
- Employees must meet the Actively-at-Work requirement in order to be eligible. Additionally, they must be working full-time at the employer’s regular place of business at least 20 hours per week to be eligible. *Note:* The number of hours requirement must coincide with the Health Net medical eligibility guidelines; part-time employees, seasonal employees, and 1099s are not eligible.
- No more than 25 percent of the Group Life volume can be on employees age 60 and over.
- Health Net Life cannot be purchased on a stand-alone basis.
- No retiree Life.

### *Medical Evidence (EOI) is necessary:*

- For amounts in excess of \$15,000.
- If coverage is applied for later than 31 days from the date of eligibility.
- Coverage requiring EOI will not become effective until approved in writing by Health Net Life.

## Groups of 10–50 enrolling

### *General guidelines*

- Minimum Life benefit is \$15,000.
- Minimum of 25 percent employer contribution.
- Minimum of 75 percent participation if contributory.
- 100 percent participation if non-contributory.

- There must be at least one person in the top class when rating a group by job classification and at least two or more people in all other classes.
- When quoting by job class, one class can not be more than 2.5 times the amount of the next lower class.
- Employees must meet the Actively-at-Work requirement in order to be eligible. Additionally, they must be working full-time at the employer’s regular place of business at least 20 hours per week to be eligible. *Note:* The number of hours requirement must coincide with the Health Net Medical eligibility guidelines; part-time employees, seasonal employees, and 1099’s are not eligible.
- No more than 50 percent of the total amount of basic term life volume can be on the five employees with the highest amount of volume. *Note:* Does not apply to flat schedule plans or groups with fewer than 24 employees.
- No retiree Life.

### *Medical Evidence (EOI) is necessary:*

- Groups of 10–14 lives only: for amounts in excess of \$25,000.
- Groups of 15–24 lives only: for amounts in excess of \$50,000.
- Groups of 25–50 lives only: for amounts in excess of \$100,000.
- If coverage is applied for later than 31 days from the date of eligibility.
- Coverage requiring EOI will not become effective until approved in writing by Health Net Life.

### *Subject to Underwriting approval for all groups*

- Medical conditions reported on the EOI.
- Some SIC classifications.

# Small Business Group medical health underwriting guidelines



- 2–50 eligible employees with over 50% of the total group located in California. Subject to out-of-area requirements below.
- Out-of-Area employees
  - Up to 40% of the total eligible population only in the following states: California, Colorado, Connecticut, Georgia, Illinois, Missouri, Nevada, New Jersey, New Mexico, North Dakota, Oregon, Pennsylvania, Tennessee, Vermont, Washington.
  - Up to 10% of the total eligible population in all other states.
- A minimum of 50% employer contribution to the employee rate. However, if the employer contributes 100% of the employee premium, then 100% of the employees must enroll.
- For purposes of determining participation requirements, employees waiving coverage due to group coverage through another employer (i.e., spousal coverage) shall not be counted as eligible employees.
- A minimum participation of 75% of the eligible employees when Health Net is the only carrier.
- Probationary period for new hires must be no less than the first of the month following date of hire.
- Eligible employees can be defined as employees working at least 20 or 30 hours per week.
- With the exception of owners or 1099 employees, all employees must be covered by workers' compensation.
- If the group can demonstrate a 1099 has been affiliated with an employer for three or more years and the employee can meet the definition of a full-time employee, he or she can be considered an eligible employee.
- 12-month rate guarantee for new and renewing businesses.

Carve-out plans are acceptable based on the following criteria:

- Health Net must be the only carrier offered to the carve-out population.
- Individual Health Statements are required.
- Non Guarantee Issue (unless coverage is offered to 100% of the eligible employees in 1672 groups).
- Health Net's HMO, ELECT POS, SELECT POS, PPO, Flex Net or *Salud con Health Net* (provided there are employees out of the service area) may be written on a dual-choice basis as long as Health Net is the only carrier. This benefit is limited to a total of three in area plans provided one is a *Salud con Health Net* plan, or four plans including Flex Net (for out-of-area employees). *Note:* ELECT Open Access may not be combined with another HMO product.
- If one of Health Net's SELECT POS or PPO plans is offered, Health Net must be the sole carrier.
- All cases must be submitted and complete by the 10th of the month for which coverage is to be effective.

## Groups of 2–9 enrolling

- Health Net must be the only carrier.
- Individual Employee Health Statements required for groups of 6-9 enrolling. *Note:* Groups of up to 5 enrolling employees are exempt from this requirement unless they fall into any of the discounted SIC codes.

## Groups of 10–50 enrolling

- Composite rates are available for groups of 15–50 enrollees.
- Health Net HMO or ELECT POS plans may be written alongside another carrier as long as Health Net's participation is 50%. *Note:* A minimum of 10 subscribers must enroll with Health Net.
- Group Level Health Questionnaire required.