

December 9, 2009

## Associated Employers Trust 2010 Plan Year Renewal Bulletin

# Overview

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## Wells Fargo Insurance Services

Thank you for your continued support of Associated Employers Trust (AET).

We are please to announce only minor benefit changes to the 2010 plan year renewal. Highlighted below are several important items regarding the renewal.

The requirements for processing renewals remains unchanged. To ensure eligibility is active on the renewal date, please complete the AET Group Master Application and return to Wells Fargo Insurance Services by the 15<sup>th</sup> of the month prior to the effective date.

This document covers:

- **Summary of medical and prescription drug benefits renewal changes.**
- **Summary of dental benefits renewal changes.**
- **Summary of vision benefits renewal changes.**
- **Summary of Life and Disability benefits renewal changes.**
- **Wellness Program.**
- **Renewal Submission Requirements.**
- **New group Submission Requirements (IMPORTANT CHANGES).**
- **Associated Industries Third-Party Administration Updates and Changes.**
- **Updated AET Contact Information.**
- **AET Links to 2010 Important Forms.**

# Medical Benefits Renewal

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## UnitedHealthcare

2010 plan year changes are as follows:

- AET is eliminating the offering of plan WBK Choice Plus HRA \$3000/\$3000 with integrated Rx benefit. Please consider the WBL Choice Plus HRA \$3000/\$3000 requiring a separate Rx benefit be selected and not subject to the medical deductible in lieu of the WBK offering.
- All other benefits remain the same with the exception of the following Federal and State requirements:
  1. Benefit maximum for outpatient, inpatient and intermediate chemical dependency services is now eliminated. Was a maximum linked to the CPI or \$14,500 in 2009.
  2. Hearing aids will now be covered as a new category of benefits and will be subject to coinsurance and deductible and is limited to \$2,500 per calendar year.
  3. Organ Transplant non-network benefit maximum is changed from \$30,000 per transplant to \$350,000 per lifetime.
  4. Mental Health Parity does not affect the AET medical plans. The current benefits already adhere to the rules of this legislative act.

2010 Prescription Drug List (PDL) changes:

There are several changes to the UnitedHealthcare PDL in 2010. Please visit [www.PDLinfo.com](http://www.PDLinfo.com) for more information.

# Dental Benefits Renewal

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## Washington Dental Services

Over the last 5 years AET has consistently delivered single digit rate increases. This year the rate increase is 0%. There are benefit changes that should have a minimal impact on our members.

2010 plan changes are as follows:

- Incentive Plans with the \$1,000 and \$2,000 annual maximums (0154-1 & 0154-2):
  - The AET is changing the Incentive plans from the Delta Dental Premier Network to the Delta Dental PPO network.
  - Most members on the current Premier Incentive Plans are already seeking care from a PPO dentist who is also a Premier dentist. There is nothing they need to do.
  - Some Members are currently seeing Premier dentists who are not PPO dentists.
  - How this impacts your clients:
    - To realize the best savings when using their dental benefits, members should seek care from a WDS contracted PPO dentist.
      - \$50 Deductible is waived on Class 1, Class 2 and Class 3.
      - Benefits paid at the same coinsurance level as they were in 2009.
      - Provider services are paid at the PPO contracted schedule. Members' plan maximums will last longer.
    - Members who do not seek care from a PPO dentist will see their benefits remain the same.
      - Subject to the \$50 Deductible on Class 2 and Class 3.
      - Benefits paid at the same coinsurance level as they were in 2009.
      - Provider services paid at the Premier contracted schedule. Members' plan maximums will not go as far as if they saw a PPO dentist.
- 100%/80%/50% PPO Plans with the \$1,000 and \$2,000 annual maximums (0155-1 & 0155-2):
  - No changes to these plans have been made.
- Orthodontia Rider for Adults and Dependent Children or Children Only
  - No changes to these riders have been made.

**If your client does not have dental benefits with AET, please review the dental rates included with the renewal carefully.**

# Vision Benefits Renewal

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## Vision Service Plan

**Vision rates and benefits will remain unchanged in 2010.**

- Vision rates in the 2009 plan year were reduced by 20%.
- There is a 0% increase to the rate for the 2010 plan year.
- Take advantage of the low vision hardware rates that AET has to offer.
- **There are no changes to the vision hardware benefits through VSP.**

**If your client does not have vision benefits with AET, please review the vision rates included with the renewal carefully.**

# Life, AD&D and Disability Renewal

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## UnitedHealth Specialty Benefits

AET transitioned all life and disability products to Unimerica effective August 1, 2008. In an effort to align all lines of coverage renewals, we have extended rates through the 2010 plan year. The GMA requires that you indicate the life and disability benefits your client wishes to renew with.

**SPECIAL NOTE:** Groups effective December 1<sup>st</sup>, 2007 and prior must include the base Short-term Disability benefit (\$1.16 per employee). The Short-term Disability benefit is compulsory for groups effective December 1<sup>st</sup>, 2007 and prior. The rate is now unbundled from the medical price tag. Therefore, it will now appear as a separate line item on the 2010 renewal proposal and the billing statement from AET.

We encourage you review the new life and disability options available.

## AET Wellness Program

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### Associated Employers Trust

**WARNING:** Groups must submit their renewal or new group paperwork by the deadline indicated in the [2010 Report Schedule Calendar](#) for their effective date. If paperwork is received after that date, they will not be able to participate in the program the first month of their plan year. They will be required to wait until the next month to begin the program.

Participation in the 2009 Your Health Counts Wellness Program was a huge success. Many companies met the requirements of the program and realized significant health premium savings.

Don't miss your opportunity in 2010.

All groups are eligible. If your clients didn't meet the program requirements in 2009, they have another chance in 2010. If your client did and realized premium savings, they can increase their savings even more by participating again.

**There are no changes to the wellness program.** The familiarity of the program should help increase the success rate in 2010.

Even if your client did the program last year, it is still beneficial for them to continue the program in 2010. Risk factors may change, this can help to stay ahead of the game and improve the health and wellness of your clients' employees.

## AET Renewal Submission Requirements

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### Wells Fargo Insurance Services

Renewal materials are due no later than the 25<sup>th</sup> of the month prior to the effective date. Please read the AET Wellness Program Section of this document for deadlines to participate in the first month of the group's renewal period.

Please submit renewal materials to:

**Preferred Method:** Email [programservices@wellsfargois.com](mailto:programservices@wellsfargois.com)

Or

Wells Fargo Insurance Services  
ATTN: AET TEAM  
601 Union Street, Suite 1300  
Seattle, WA 98101

The following materials are required to process a renewal:

- ☑ **Completed 2010 Group Master Application**  
(<http://aetbenefits.com/forms/2010/Producers/AET100%202010%20GMA.doc>)
- ☑ **For groups moving from single choice to dual choice:**
  - Enrollment and change forms for employees moving to the new plan.
  - No enrollment and change forms required for employees remaining on the in-force plan.

## AET New Group Submission Requirements

### Wells Fargo Insurance Services

New groups are required to be delivered to your assigned UnitedHealthcare Sales Representative by the 15th of the month prior to the effective date to ensure eligibility is loaded on the carriers' systems prior to the first of the month effective date. Groups wanting to participate in the Wellness Program must submit materials by the 10<sup>th</sup> of the month prior to be able to participate in the program the first month of their effective date.

### **IMPORTANT NEW GROUP SUBMISSION CHANGE IN 2010: GROUPS ELECTING 100% PARTICIPATION NEW PROCESS - NO EXCEPTIONS WILL BE MADE.**

- For all groups indicating 100% participation of eligible employees, a copy (all pages, including grand totals) of the most recent state Quarterly Wage and Tax Report (QWR)/Form 5208 is required for all sold groups, unless eligible to submit payroll records as stated below.
- Employer must indicate employment or eligibility status for each employee listed on the submitted Form 5208: A (any employee submitting an Application), W (Waiving), P/T (Part-Time), T (Terminated/including termination date), S (Seasonal), and WP (Waiting Period).

### **PLEASE REFER TO THE NEW GROUP SUBMISSION CHECKLIST FOR FURTHER DETAILS:**

<http://aetbenefits.com/forms/2010/AET%20176%20New%20Group%20Submission%20Checklist.pdf>

Required materials must be submitted complete and include all of the following (no partial submissions will be accepted).

## Third-party Administrator Updates and Changes

### Associated Industries Administrative Services

#### **AET Provides COBRA Administration Services Free of Charge for all AET Member Companies.**

AET Member Companies that qualify for COBRA per the federal law are administered by Associated Industries free of charge. There is no set up application, process or fees for this added service.

#### **Third-party COBRA Administration Updates and Changes**

Employer groups have the option to waive out of the default AET COBRA Administrative Services. To waive out of AET COBRA Administrative Services, employer groups must complete the Voluntary Waiver of AET COBRA Administrative Services. Please refer to the Third-party COBRA Administrator Requirements Document for more details.

Once the Voluntary Waiver of AET COBRA Administrative Services has been received, AET will provide plan information and rates directly to the assigned Third-party COBRA Administrator through the AET COBRA Employer Specification Worksheet.

***All communications, enrollment updates, eligibility changes and premium payment must be directed to Associated Employers Trust only.*** Change requests or payments made directly to the carriers will delay enrollment and cause disruption in COBRA beneficiaries' coverage.

## **COBRA Election**

When notified by the employer, member terminations will be processed by AET (no notifications or forms will be sent to the termed employee by AET). AET [COBRA Enrollment Forms](#) must be sent by the Third-party COBRA Administrator to the termed employee (No alternate forms can be accepted).

Please submit completed COBRA Enrollment Forms in an accurate and timely fashion. Copies of the COBRA election forms must be sent to Michelle at the address above. AET will ensure enrollment information is forwarded to the appropriate carrier(s).

## **Open Enrollment**

When employer groups renew, the AET will provide the Third-party COBRA Administrator an updated AET COBRA Employer Specification Worksheet. In the event new plan selections are required, the [COBRA Enrollment Forms](#) must be submitted to the AET in a timely manner.

## **Monthly Premium Payment**

The AET will bill the Third-party COBRA Administrator directly for COBRA beneficiaries. Invoices will be provided to the Third-party COBRA Administrator, listing all active COBRA participants and the premium due. The invoice is generated the third Friday of the month for the next coverage month. Should there be any questions on the invoice, contact Michelle Walczak.

In the event premium payment is not received by AET by the due date, coverage will be terminated and notice will be sent to the Third-party COBRA Administrator. No reinstatements will be allowed after the third request.

## **AET Contact Information**

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### Wells Fargo Insurance Services

For any questions or if you are submitting competitive quote information please contact your assigned WFIS Program Manager.

**Bryan Marsh**

bryan\_marshall@wellsfargois.com  
206.892.9574

**Paul Baker**

paul\_baker@wellsfargois.com  
206.892.9573

For any other daily business with the AET, please refer to the 2010 contact sheet:

<http://www.aetbenefits.com/forms/Contact%20List.pdf>

## **AET Links to 2010 Important Forms**

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### Wells Fargo Insurance Services

[Group Master Application](#)

[Health Risk Questionnaire](#)

[Enrollment and Change Form](#)

[2010 Forms Library](#)

We appreciate your partnership.  
Thank you,

Bryan D. Marsh  
AET Program Manager  
Wells Fargo Insurance Services