

AHP Agent FAQ

Agent impacts:

How are agents involved in the TranscendAHP process?

We understand the vital role agents play in developing competitive benefit options for their clients. Agents can continue to quote, enroll and service groups within the TranscendAHP. You will work with the TGG Solutions AHP service team for groups within the TranscendAHP. TranscendAHP is powered by AHP Management Solutions, and AHP Management Solutions has hired TGG Solutions as a vendor to service TranscendAHP.

How is TGG Solutions involved?

Transcend is a neutral non-profit organization that's current affiliate associations are MichBusiness and SBAM. They have hired AHP Management Solutions to help support their TranscendAHP offering. AHP Management Solutions has hired TGG Solutions as a vendor to service their AHP including; quoting, enrollment, membership and billing and training.

What is the agent commission structure?

Agents' compensation will match the Blue Cross® Blue Shield® of Michigan and Blue Care Network's current small group commission schedule (ie; Platinum, Premier, Preferred Plus, Preferred and Standard). If an agent prefers to refer a one subscriber group for Transcend to write, the agent will receive a one-time \$100 commission payment, when that one subscriber group enrolls.

Are agents still eligible for Blue Rewards?

Yes, any groups in an agents' book of business under TranscendAHP will count toward your Blue Rewards consideration.

Do agents need to be a member of Transcend themselves to sell the TranscendAHP?

Agents do not need to be members of Transcend to sell TranscendAHP, however it is recommended.

Will there be agent training?

Yes, there will be agent training available. Additional details about these training opportunities will be emailed to agents from info@transcendmichigan.org.

Is training mandatory to sell this plan?

Training is not required to sell TranscendAHP products, however, it is highly recommended as critical details will be provided during the training.

Can agents' rollover existing Blue Cross and Blue Care Network groups into TranscendAHP?

Customers will need to cancel existing business with the standard 30-day lead time and enroll as new business through TranscendAHP. Lead times and underwriting details will be available soon.

Will agents still be able to see their TranscendAHP groups in the Blue Cross Agent Portal?

Since this is viewed as one customer, TranscendAHP, agents will not have visibility to customers in the Blue Cross Agent Portal. AHP Management Solutions will service all membership needs, as well as billing and renewal distribution. In the future, we plan to make online capabilities available to agents to enrich the ways they are able to service their customers.

How are Letters of Authorization processed?

If a group is granting an agent temporary authorization on their account, LOA letters should be sent to commissions@ahpmanagementsolutions.com. You can expect to receive a copy of the group's current rates and benefits, along with the current invoice and census. Please keep in mind that groups are not eligible to perform any mid-

year group wide changes while enrolled in TranscendAHP. The current agent on the group will be notified of LOA being received, unless the LOA letter explicitly states that it is to be kept confidential.

If the group is not currently enrolled through TranscendAHP, please continue to work through your managing agency as you do today. If you would like TranscendAHP quotes for a group you have authorization on, you will need to provide a copy with your proposal request.

Group impacts:

What is required to provide in order to quote?

Requests for proposals should be sent to proposals@ahpmanagementsolutions.com.

Your request should include the group name, group address, effective date and SIC code. We will also need a current group census which should include member names, date of birth, gender, employee home zip codes, and the age of the spouse and *all* children.

What is the effective date?

January 1, 2019, is the first available effective date under TranscendAHP. All effective dates will be the first of the month, following the initial launch for January 1, 2019. All plans will renew on a common, January 1 date thereafter.

When can agents request a proposal?

Quoting for medical will be available Wednesday, October 10. Dental and vision products will be available for quoting at a later date (but still for a January 1 effective date).

Who is eligible?

Employer groups with 50 or fewer enrolled contracts are eligible to join TranscendAHP, including one subscriber groups (OSG). Employer groups must be a member in good standing with the Transcend Association. Groups must follow the current Blue Cross and Blue Care Network group participation requirements.

What are the employer rules for entering and exiting the AHP?

An employer group must be a member in good standing with Transcend Association. Employer groups who leave TranscendAHP must wait 12 months to re-enroll through TranscendAHP. For more information on how to join Transcend, visit transcendmichigan.org. If membership with Transcend ceases, enrollment in the TranscendAHP will be terminated with 30 days' notice.

Will groups still be able to see their groups' information in the Blue Cross Employer Portal?

No, since this is viewed as one customer, TranscendAHP, groups will not have visibility in the Blue Cross Employer Portal. AHP Management Solutions/TGG Solutions will service all membership needs, as well as billing and renewal distribution. In the future, we plan to make online capabilities available to agents to assist in servicing their groups.

How does a group become a member of the Transcend Association?

Current SBAM or MichBusiness members, in good standing, are eligible to join the Transcend Association at discounted rates. If your customer is not a current member of MichBusiness or SBAM, or another affiliated association, you can join the Transcend Association at their current membership rates. For more information on how to join Transcend, visit transcendmichigan.org.

How and when will TranscendAHP groups renew?

TranscendAHP will renew annually regardless of their effective date. All groups will renew on January 1 and may need to update their Summary Plan Description (SPD) accordingly. Groups may want to consider changing the plan year for their Section 125 program to match the AHP plan year as well.

How do rates work?

Under the TranscendAHP, groups will be composite rated under ERS Formula III for the entire AHP pool. Small group employers entering the TranscendAHP will move from member level rating to single/double/family rating. In addition, being rated as a large group reduces some of the taxes and fees required of groups in the small group market, as well as some essential health benefits; this eliminates the small group requirement to carry pediatric dental.

How many plans can an employer group offer to their employees?

Groups within the TranscendAHP must adhere to underwriting requirements for the number of plan offerings available, as listed below:

Small Group:

- 1-10 enrolled - allowed two plans
- 11-24 enrolled - allowed three plans
- 25-49 enrolled - allowed three plans

Large Group Community Rated:

- 1-10 enrolled - allowed one plan
- 11-24 enrolled - allowed two plans
- 25-49 enrolled - allowed three plans

Are mid-year group wide changes permitted?

No, groups must remain enrolled in their selected benefits until their next renewal.

Are One Subscriber Groups (OSG) eligible to join the TranscendAHP?

Yes. TranscendAHP will be accepting eligible OSGs. This includes owner only C-Corporations, S-Corporations, Sole Proprietorships and Partnerships. Entities must have been in business for two-years, provide proof that at least 75 percent of non-passive income is generated from business activities supported by applicable tax form filings. Supporting tax documentation must be provided at the time of enrollment to verify eligibility. If an agent prefers to refer a one subscriber group for Transcend to write, the agent will receive a one-time \$100 commission payment, when that one subscriber group enrolls.

Is this considered a Multiple Employer Welfare Arrangement (MEWA)?

Yes. The federal and state regulations categorize association health plans as a MEWA. However, because TranscendAHP is not a self-funded plan, but a fully insured plan it does not operate like a typical MEWA.

How are Medicare Secondary Payer (MSP) laws impacted?

Because TranscendAHP will have 20 or more employees, the AHP will be primary to Medicare for all individuals enrolled in the AHP and whose Medicare eligibility is based on age. Because TranscendAHP will have more than 100 employees, it will also be primary to Medicare for individuals whose Medicare eligibility is based on disability. This may be a change in how the MSP laws apply to the group as they are enrolled today, so it will be important for agents to have that conversation with their clients. There are CMS exceptions available for small group employers (under 20 employees) enrolled in the AHP. Please work with the TGG Solutions AHP service team to discuss the requirements for the CMS exception process.

How do local chambers or associations become an affiliated association?

Associations or chambers wishing to join the Transcend Association and offer TranscendAHP should contact Mollie Sikkema with AHP Management Solutions at 877.888.6006.

Can out of state locations participate in the TranscendAHP?

The AHP must be headquartered in Michigan. The employer group must be headquartered in Michigan or have a Michigan location. An employer group not headquartered in Michigan may only enroll employees of the Michigan location. Any subscriber that enrolls must be reported on the Michigan Quarterly Wage Detail Report.