

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 member-based association 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.

Is TranscednAHP an option for individuals?

Individuals that are not business owners are not eligible to enroll through TranscendAHP. Sole Proprietors are eligible to enroll.

What is the definition of Non Passive income?

Non passive income is earned by the business, it cannot be investment income.

If we quote a group in March for a May renewal date, will the plan year will switch to January at renewal?

Yes, it will. In addition, if the group enrolled in May they would be short rated. The rates are guaranteed from May 1st to December 31st and at that time the group will move to a January 1 renewal.

What time frame should we expect to receive a quote?

We have had some delays in the creation of our quoting tool. In an effort to ensure accurate rates for new business and at renewal, we really took the time to dial in the rating tool. Now that everything is solid and we're ready to start rolling. We are working diligently, over-time and on weekends, to complete your requests as quickly as possible. We're excited by the amount of interest and we are seeing some really nice rate trends. We do anticipate within the next couple of weeks to release a rating tool that you can use to run the quotes yourself. At this time, we anticipate resuming our normal proposal lead times within the next week.

How are MESSA groups handled?

Any MESSA group proposal requests that we have in house at this time will be processed. However, moving forward, public entities, such as schools, churches, road commissions, etc., will not be eligible for enrollment through TranscendAHP.

How should an agent request a BAAG for his/her group?

Please email proposals@ahpmanagementsolutions.com at this time for your BAAG requests. We are also sending them as requested during the quote process.

Will we have access to our groups online including membership and change capabilities and bringing up their renewals?

No, you will not have access to your groups online because this is one rating pool in Blue Cross' systems they will be loaded as Transcend. It will work similarly how badged associations worked in the past. Membership changes and maintenance requests will have to come through TGG Solutions for processing. After the first of the year, we are planning to launch an agent portal where you will have access to your group's enrollment and plan information.

Can we quote a group that is over 50 FTE but under 50 enrolling?

Yes, the key to remember is that if you have less than 50 enrolling, regardless of the number of FTEs, they are eligible to enroll in Transcend.

If two plans are offered, will rates change based on the number enrolled in each plan?

No, rates are based on total group enrollment and the breakout between plans is not required.

What is involved with becoming an association member?

A group can become an association member by filling out a member application and submitting. It can be found at transcendmichigan.org/membership. The application can be submitted at the same time as new business paperwork.

In regards to lead time, is it the 20th of the month prior to the effective date, or of the prior month (so 40 days lead-time)?

It is not a 40 day lead time. For example, if you're writing business effective January 1, we would need paperwork by December 20.

How many employees does Transcend have to administer this business?

AHP Management Solutions has hired TGG Solutions to administer the business. TGG Solutions has created a dedicated service team with direct phone queues and email addresses to service your AHP business.

Will transcend membership dues be annual or monthly?

The customer has the option to complete a one time annual billing or a monthly payment through their Transcend monthly invoice.

Is there a pediatric dental requirement?

There is not a pediatric dental requirement as these groups are treated as large group. ACA requirements for essential health benefits do not apply.

What will the email address be to send in enrollment/change forms?

We have a contact sheet available which will direct you where to send your requests. This will be available on transcendmichigan.org. There is one email for new business and a separate address for existing business changes.

Is a binder check required for current Blue Cross and Blue Care Network groups?

Yes, it is actually treated as brand new business. The group will have to submit a cancellation letter with a 30-day lead time. Pre-payment is required so that claims can be paid out during the first month of membership.

If we write a group under 50 FTE, there will not be a participation factor?

Correct, if it falls under what we traditionally understand as small group today, under 50 FTEs, there will not be a participation factor. There is the potential for a participation factor for what we consider Community Rated groups, those that have over 50 FTEs, but less than 50 enrolling in group Medical coverage.

With this being a Large Group plan, will the employer now have to worry about affordability under the ACA?

If you have a requirement today to provide minimum value and affordability than you will continue to have this responsibility in the AHP.

If SBAM members are currently receiving a consolidated invoice with medical and ancillary, will they now receive an SBAM bill and a Transcend invoice?

Yes, out of the gate there will be two separate invoices. After the first of the year there may be an opportunity for a consolidated invoice.

Do we still go to TGG Solutions with plan/benefit questions?

Yes, AHP Management Solutions has hired TGG Solutions to handle the administration. TGG has created a dedicated team specific to the AHP. There is a separate phone queue so you'll get to the right place with the right experts.

Are dues prorated on the monthly group bill?

Dues can be paid in a one-time annual amount or prorated on the monthly group bill. The rate is based on type of membership and size of enrolled group.

Can a business sign up for the dental without medical?

No, they cannot.

If an existing association joins, do they have to pay dues to Transcend as well as their existing association? Or are they setting up their own AHP?

For the association that becomes an affiliate with Transcend, there is a chart that lays out the dues for an affiliate membership. So there are dues, but they are at an affiliated rate. The membership chart is available at transcendmichigan.org/membership.

Is there an exception for the 30-day cancellation notice given the delay in quoting for 1/1/19?

Given that the lead time for a January 1 effective date isn't until December 20, I don't think we're in a position that we need to be concerned. If we do get into that position, an exception will be evaluated at that time.

When submitting the cancellation letter, do we need to copy TGG in as well?

No, you don't need to copy us in but it is nice to have a heads up. We do have processes set up with the carrier to expedite the cancelation process so membership and enrollment does not get held up.

Will we ever be able to quote ourselves?

Yes, we are working on a quoting tool which would allow agents to complete the quoting process.

Do members need to join MBPA and SBAM also?

No, they are not required to join, on transcendmichigan.org there are two dues schedules, one for a Transcend membership and one for an affiliate membership. There are some additional benefits for those affiliate membership so it is something to consider but not a requirement.

Groups joining TransendAHP will have a short plan year for 2019 and renew in January 1 2020, correct?

Correct, if a group joins Transcend for a May 1, 2019 effective date, they will be short rated for 2019 and renew in January of 2020.

Groups coming from the Blues, will there deductibles be credited when joining Transcend?

Yes, they will.

Can you provide the Transcend Website please?

transcendmichigan.org

Are rates final? What if the census changes between quoting and enrollment?

Final rates are based on final enrollment.

What happens if 40 are enrolled and then the group grows to over 50 enrolled AFTER issued?

They will be grandfathered and be able to stay within Transcend.

Does Health Equity partner with Transcend?

At this time Health Equity can be only be used by the Employer group reaching out to them and working directly with them. No integration services are available currently.

Will Transcend provide quotes for current Blue Cross Blue Shield of Michigan and Blue Care Network groups PRIOR to their next renewal date? IE - Current group Blue Cross renewal is 7/1. Can group request quote for earlier effective date?

It would be written as new business so if they cancel their existing plan they could join as of 7/1. They would not have a 12 month rate guarantee, they would be short rated.

Other than Pediatric Dental not being required, what other essential health benefits are being removed?

Groups will experience relief from small group ACA requirements such as a member level rating, compliance with Essential Health Benefits and some taxes and fees.

If a small group is already with Blue Care Network or Blue Cross, do we still need to submit a census or can TGG access?

All requests for quotes need to include a census.

Are the BAAG's on these plans the same as the BAAG's on BC Website?

No, the TranscendAHP BAAGs are specific to the Transcend product offerings.

Can you please explain the customer service that will be available through AHP, such as claims help or information that an agent would usually provide

Claims will still be paid by Blue Cross, they will not be paid by Transcend. Members will still have access to the member portal at bcbsm.com.

Will Transcend honor 4th quarter carry over?

Yes, Transcend will honor 4th quarter carry over with the exception of HSA plans.

Will deductibles from other Blue products or other carriers transfer?

Yes, deductibles will transfer.

Normally large group quotes require ALL eligible employee including those waiving and why they are waiving. Do we need to include those waiving on the TranscendAHP census and the reason for the waiver?

Yes, we will need all waivers and the reason for the waivers to be provided on the census.

If two plans are offered, and the census remains consistent, will the rates change based on how many are enrolled in each plan?

No, Rates are based on totally group enrollment and the breakout between plans will not change the rate.

Is this available to a business owner, as an OSG, if there are other employees that he does not want to offer group coverage to?

No, you still have to comply with small group health reform so coverage has to be offered to everyone. The business owner doesn't actually have to pay for it.

Are commissions different than regular Blue Cross plans?

No, you commissions will remain the same.

Can an employer offer multiple plans? If so, how many?

The number of plan offerings allowed is the same as current Blue Cross Blue Shield of Michigan and Blue Care Network small and large groups effective 1/1/2019.

Do non-discrimination rules apply to employee contributions?

Yes, non-discrimination rules apply.