

CHOICEPLUS

offered by SmileSaverSM

ADMINISTRATIVE GUIDELINES

Edition: May 2005

A D M I N I S T R A T I V E G U I D E L I N E S

YOUR HELP IS REQUESTED

In order to provide you with the best possible service, we ask for your cooperation in following the instructions below and paying promptly each month.

PLEASE REVIEW AND CHECK

Every effort is made to obtain accuracy in billing, but we would especially appreciate it if you would check to be sure all insured persons in your firm are listed on the statement.

NOTIFY US OF ANY CORRECTIONS

If the bill does not list someone or is incorrect, please write us a note on the bill or attach a separate memo to the bill and forward with your payment. Please pay the amount shown on the bill. We'll adjust the next bill accordingly.

IMPORTANT: Please be sure your payment and corrections are mailed to our Premium Payment address (a Business Reply Envelope is always enclosed with your statement).

THE PREMIUM PAYMENT

Our Premium Payment address is:

**CHOICEPLUS
Dept LA 22065
Pasadena, CA 91185-2065**

HOW TO ENROLL AN EMPLOYEE

- A.** When hired, each individual must complete an Enrollment Form and submit it to our office immediately. Normal processing time of enrollment applications is 7- 14 working days.
- B.** Upon approval, your employee will be added to the next month's billing statement and billed accordingly. Please be sure to check your billing statement to verify that the employee has been added. If the employee does not appear on your billing statement by the 2nd month, call our Customer Service Department immediately.
- C.** Coverage is effective on the 1st day of the month following completion of the Waiting period (provided the enrollment material is received within the Waiting Period). **If the enrollment form is not received within 31 days following the Waiting Period the enrollee will receive Late Applicant status and will be subject to penalties or limitations. (Does not apply to DHMO.)** Please see attached Enrollment Checklist for assistance.

CHANGE IN LIFE STATUS

An employee may be added to the dental plan after their Eligibility Period without limitations. The employee must have had continuous coverage under a comparable group dental plan through their spouse and that coverage must have become unavailable due to one of the following reasons:

- a. The death of the spouse
- b. Divorce from the spouse
- c. Discontinuation of the spouse's employer's plan
- d. Termination of the spouse's employment, which results in loss of the spouse's coverage.

Proof of the prior plan must be submitted with the Enrollment Form. Coverage is effective 1st of the month following receipt of the completed enrollment material.

HOW TO MAKE CHANGES IN YOUR COVERAGE

ADDITIONS

When an employee wishes to add dependent family members for coverage or change from individual to family coverage, the employee should complete a new Enrollment Form. Please refer to your Certificate of Insurance to verify when additional dependents may be added.

ADDITION OF A SPOUSE

The Enrollment Form and Marriage Affidavit Form should be sent to our office within thirty-one days of the marriage date in order for coverage to be effective on the 1st of the month following the date of marriage. If the Enrollment Forms are not received within 31 days from the marriage date, penalties or limitations may apply.

A spouse may be added without limitations if the spouse had continuous coverage under a comparable group dental plan and coverage has become unavailable due to termination of the spouse's employment, which results in loss of the spouse's coverage. Proof of the prior plan must be submitted with the Enrollment Form.

ADDITION OF DOMESTIC PARTNER

The Enrollment Form and Certification of Domestic Partnership Form should be sent to our office. Coverage will be effective 1st of the month following the date enrollment material has been received. Benefit limitations may apply.

ADDITION OF A NEW BABY

Coverage for a newborn is not automatic. A newborn will be covered for the first thirty-one (31) days from the date of birth if enrollment materials are received. If enrollment materials are not received within 31 days the newborn may not receive coverage.

ADDITION OF AN ADOPTED CHILD

An employee's family coverage may be extended to legally adopted children. A new completed Enrollment Form and proof of adoption (copy of legal documentation) should be sent within thirty-one (31) days of the adoption. Coverage will be effective 1st of the month coinciding with or next following the date of adoption. No coverage will begin until all plan and enrollment requirements have been satisfied.

REPORT ANY CHANGES

All changes should be reported on the Employee Data Change Section of the ChoicePlus Premium Statement. Please return the entire Premium Statement, including the remittance stub, in your payment envelope.

TERMINATION/DELETION OF COVERAGE

To delete, discontinue coverage, or report a terminated employee or their dependents, complete the Employee Data Change section at the bottom of the Premium Statement. Terminations must be reported within thirty (30) days of the employee's termination or deletion. Retroactive Terminations are not accepted beyond 30 days. Please report terminations on the Premium Statement immediately following the change, or better yet fax this information as soon as it happens to your Account Executive at (310) 390-3158.

TERMINATION OF EMPLOYMENT

When employment is terminated, the employee may be eligible to continue coverage for Dental coverage under COBRA if in the prior year, your firm has 20 or more employees, or Cal-COBRA if your firm has 2-19 employees.

COBRA

COBRA requires employers with 20 or more employees, to offer continuation of coverage for certain classes of terminated employees and/or dependents who lose their group health coverage.

THE MAIN POINTS OF COBRA

This is merely a summary of COBRA, please consult your legal advisor for questions about COBRA.

1. It offers employees & dependents continuation of coverage for 18 to 36 months depending on the following:

Employee - 18 months if the following occurs:

- Reduction of hours which results in the loss of health plan eligibility.
- Termination of employment (for reasons other than gross misconduct).

Dependents - 36 months if the following occurs:

- Child's dependent status ceases.
- Divorce or legal separation.
- Eligibility of the employee for Medicare.
- Death of the employee.

An employee and/or dependents may continue coverage up to the maximum allowable time unless any of the following occurs:

- The dependents become eligible under another group plan.
- The spouse (or former spouse) remarries or becomes eligible under another group plan.
- The dependents become eligible for Medicare.
- The premiums are not paid.
- The entire plan is cancelled.
- An employee elects to continue an additional 18 months under Cal-Cobra

COBRA (Con't)

The employee must be given notice by the employer of their right to COBRA benefits within 14 days of the Qualifying Event. The employees have sixty (60) days from the Qualifying Event to elect the COBRA option.

2. Newly Acquired Dependents: if, while your insurance is being continued under the Continuation Required by Federal Law Provision, and you acquire a new Dependent, such Dependent will be eligible for this Continuation provided:
 - The required premium is paid; and
 - We are notified of your newly acquired dependent in accordance with the terms of the policy.

3. The law allows the employer to collect 102% of the normal premium for continuation of coverage. The additional 2% is to offset your increased administrative costs. The employer will be responsible for collecting the COBRA members' premium and remitting premium along with monthly ChoicePlus premiums.

4. It is the employer's responsibility to notify us of members and dependents who leave the group plan and become COBRA members. For assistance call your ChoicePlus Customer Service Department.

CAL-COBRA

Cal-COBRA applies to California small Groups with 2-19 Employees. An individual who is no longer eligible for coverage as a result of a Qualifying Event, has the right to elect continuation for group dental coverage.

A QUALIFYING EVENT is:

- a.** Death of an employee;
- b.** an employee's termination of employment (other than for gross misconduct) or reduction of hours worked;
- c.** a divorce or legal separation of covered employee from the covered employee's spouse.
- d.** The loss of dependent status by a dependent enrolled in the group benefit plan.
- e.** With respect to a dependent only, the covered employee's or insured's eligibility for coverage under Title XVIII of the United States Social Security Act (Medicare).

It is the employer's and employee's responsibility to complete and return the "Notice of Option to elect Continuation for Group Dental Coverage form" to us within 30 days of the qualifying event. As ChoicePlus administrator, we will then send to the employee's home address an election form and the plan cost.

If the employee decides to elect continuation of coverage they will need to complete the election form and return it to us within 60 days of receiving the election form. The initial bill will be for 6 months premium, billed directly at the employee's home address. Thereafter, billing will be monthly.

PAYMENT METHOD FOR ADDITIONS AND TERMINATIONS

A. New Enrollment:

Coverage always begins on the (1st) day of the month. A premium is due for the entire month.

B. Termination:

Coverage shall terminate at midnight on the last day of the month in which the loss of eligibility occurs. A premium payment is due for the entire month.

PARTICIPATION REQUIREMENTS

Check to be sure your eligible personnel are enrolled. Remember to keep your employee participation at the required level. Please contact your Account Executive if you have questions about these requirements. Not all plans have participation requirements.

PAYMENT AND CUT-OFF DATES

Premiums are due on the 15th of the month. Please return the bill and your check by the 15th of the month. Our cutoff date for preparation of the next month's bill is the last working day of each month. Unless we receive payment, additions, terminations or changes prior to that date, they won't appear on your statement until the second month following.

Sometimes a change is received after the billing cut-off. If a change does not appear on your billing statement by the 2nd month, call your Account Executive in our Customer Service Department immediately. Our aim is to provide the highest quality service by promptly responding to all requests we receive.

Questions?

We welcome your call! Please call Customer Service at:

1-800-366-1077

Or you may write to us at:
Customer Service Department

CHOICEPLUS
3030 S. Bundy Dr.
Los Angeles, CA 90066
FAX: (310) 390-3158