

Underwriting Guidelines

Pre-Existing Condition

The policy's pre existing condition limitation will always apply for employer groups of less than 25 enrolled employees, regardless of number of eligible lives. Pre-existing condition limitations will be waived for groups with 25 or more enrolled employees. If more than one plan is issued to an employer group, the number of employees enrolled in each plan will be combined to determine if the minimum enrollment has been met to waive the pre-existing condition limitation.

Group Eligibility

*Group Size (# of Eligible Employees)	*Minimum To Issue Enrollment/Participation (# or % of eligible employees)	*Minimum To Waive Pre-EX Enrollment/Participation (# of eligible employees)
5-9	100% enrolled	N/A
10+	10 enrolled	25 enrolled

*Subject to State specific minimums 51 in Colorado, 25 in Pennsylvania

- 1) Must be an employer group. This means any firm, corporation, partnership or sole proprietor that is actively engaged in business; is not formed primarily for purposes of buying health insurance; and in which a bona fide employer-employee relationship exists.
- 2) The Employer is required to be officed in, or have a clearly defined division in an available state.
- 3) The variety and number of plans issuable to the same employer group are:
 - 50 eligible employees and below – 1 Plan
 - 51 eligible employees and above – 2 Plans
 - 100 eligible employees and above – 3 Plans

When issuing multiple limited medical plans to the same employer, satisfaction of the minimum employee participation requirement will be determined by combining the number of employees enrolled in all of those plans.

4) Industries and/or Groups not eligible for this product:

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| Commercial Fishing | Taft Hartley or Unions |
| Mining | Affinity Groups |
| Oil and Gas Extraction | Associations |
| Logging and Wood Products Processing | Professional Employer Organizations (PEOs) |
| Taxicabs | Leasing Companies |
| Junk and Scrap Dealers | Farming |
| Car Washes | Explosives, Bombs & Pyrotechnics |
| Sports Teams | Asbestos Products |
| Members of Credit Unions | Fire Arms & Ammunition |
| Multiple Employer Welfare Arrangements (MEWAs) | |
| Independent Contractors or Self-Employed Workers (issued 1099s) | |

5) Industries and/or Groups requiring Underwriting approval:

- Temporary Staffing Agencies
- Casinos
- Franchises
- Religious Organizations

Employer Group Verification

Groups with less than twenty-five (25) eligible employees must submit a copy of their most recent State Quarterly Wage or Unemployment Withholding Report with their group application to verify each employee's current status (full-time, part-time, terminated, etc.).

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Entry Date

Employees must be Actively at Work on the coverage effective date for coverage to take effect.

Employees and/or their dependents are not eligible if they are covered under any other Limited Medical Plan or Comprehensive Major Medical Insurance Plan made available through their employer. Should coverage under such a plan begin while covered under this plan, coverage under this plan will cease according to the termination provisions of the policy.

Individuals cannot be covered as an employee and dependent under the same group policy. Children eligible for coverage through both parents cannot be covered under both parents under the same group policy. With the exception of Term Life & AD&D benefits, spouses and dependent children must be enrolled in same plan and level of benefits as the employee.

Coverage is guaranteed issue for all eligible employees and their eligible dependents that enroll during an Open Enrollment period and for new employees upon satisfaction of any eligibility waiting period imposed by their employers, subject to the plan's pre-existing condition limitations and actively at work/non-confinement requirements.

Employees electing to drop coverage mid-year are not eligible to re-enroll until the Employer's Open Enrollment period.

Late Entrants

A late entrant is defined as an employee and his/her dependents that seek entrance into the plan more than 31 days after initially becoming eligible for coverage or after the open enrollment period ends. Eligible Employees and their dependents who did not enroll during the initial or open enrollment period and who thereafter want to enroll must complete a special limited medical enrollment form that contains health questions. Late Entrants are subject to simplified underwriting.

COBRA

Is available to eligible employees if the employer has signed a COBRA services agreement with American Sterling Insurance Services.

Claim Filing

Written notice of claim must be given within 30 days after a covered loss.

Assignment of Benefits

- 1) Benefits may be assigned to a licensed healthcare provider.
- 2) If an employee has primary healthcare it is not necessary to provide the provider with a copy of their Sterling Solutions ID Card. File a claim with a copy of the bill, and the employee will be reimbursed.