

# Here's all the fine print

## Cigna + Oscar for Business Underwriting Guidelines

Health plans for Missouri small groups with 1-50 employees

Effective from October 1, 2021

Last Updated April 6, 2021

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.



# Welcome to Cigna + Oscar for Business.

We like simple. We also believe being very clear about how we do things saves time and hassle down the road. So we simplified our underwriting guidelines to help you understand which clients may be eligible for Cigna + Oscar plans. Read on to get familiar with our policies and applicable state and federal laws.

High level, here's what you need to know.

- 01. Cigna + Oscar for Business covers groups with 1-50 employees.
- 02. A group must be licensed or authorized to conduct business in Missouri.
- 03. The employer has at least 50% of enrolled eligible individuals living in Cigna + Oscar's Missouri service area defined as the following counties

Missouri	Cass, Clay, Franklin, Jackson, Jefferson, Lincoln, Platte, St. Charles, St. Francois, St. Genevieve St. Louis, St. Louis City, Warren, and Washington
Kansas	Leavenworth, Wyandotte, Johnson and Miami
Illinois	Bond, Calhoun, Clinton, Greene, Jersey, Macoupin, Madison, Monroe, Montgomery, Randolph, St. Clair and Washington

- 04. A group must meet relevant contribution and participation requirements.

Once a group has applied for coverage, Cigna + Oscar's Eligibility Team will make the final decision to accept or decline the group for coverage, specify terms of coverage, or grant requests for changes, subject to Cigna + Oscar's policies and applicable law. Agents or

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

General Agents aren't authorized to bind or guarantee coverage, premium rates, or effective dates. Groups should maintain their existing coverage during the application process.

This document does not include all the policies and guidelines that may apply, and we may change these policies in the future without notice, as permitted by law. You can find the most up-to-date underwriting guidelines at [hioscar.com/brokers/cigna](https://hioscar.com/brokers/cigna).

# Table of Contents

## Group Eligibility

- Group Size
- One Life Groups
- Required Documents

## Eligibility

- Employee
- Dependent

## Requirements

- Waivers
- Minimum Employer Contribution
- Participation Requirements

## Enrollment

- How to Submit an Enrollment
- Effective Dates and Important Deadlines
- Late Enrollees

- Annual Enrollment Period
- Special Enrollment Period
- Waiting Periods
- Plan Choices
- Rates
- Prior Carrier Deductible Credit
- Group Buy-Downs
- Workers' Compensation
- COBRA
- Missouri State COBRA
- Medicare Reporting
- Guaranteed Renewability

## Voluntary Terminations

- Group Terminations
- Employee Terminations

# Group Eligibility

A group is eligible for small group coverage if it meets the “small employer” criteria as defined by the Missouri and federal Patient Protection and Affordable Care Act (ACA), and meets the following requirements:

01. The employer maintains business licensure and/or appropriate state filings allowing the company to actively conduct business in the state of Missouri.
02. The employer has at least 50% of enrolled eligible individuals living in Cigna + Oscar’s Missouri service area defined as the following counties:

Missouri	Cass, Clay, Franklin, Jackson, Jefferson, Lincoln, Platte, St. Charles, St. Francois, St. Genevieve St. Louis, St. Louis City, Warren, and Washington
Kansas	Leavenworth, Wyandotte, Johnson and Miami
Illinois	Bond, Calhoun, Clinton, Greene, Jersey, Macoupin, Madison, Monroe, Montgomery, Randolph, St. Clair and Washington

03. Employees that live outside of the defined Cigna + Oscar service area can only enroll in Open Access Plus.

These groups are **not** eligible for coverage:

- Employers not authorized to conduct business in Missouri
- Groups formed with the sole purpose of obtaining health insurance
- Associations, multiple employer trusts, union trust plans or Taft Hartley groups
- Groups that do not have at least one (1) W-2 employee, for example:
  - Sole proprietors with no W-2 employees
  - Owner-only groups with no W-2 employees
  - Two-person groups comprised of an owner and his/her spouse or legal domestic partner, both of whom do not receive W-2s
- Groups that have been in existence for less than four (4) weeks

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

- Employers with less than 50% of enrolled employees living within the designated service area

## Group Size

Group size is a major factor in determining if a group is eligible for small group coverage. The group must have between two (2) and fifty (50) full-time and/or FTE employees during the preceding calendar year and must employ at least two (2) employees on the first day of the coverage year to qualify (MO ST 379.930 (34)). Here are some FAQs about small group eligibility:

- **What if the group has part-time employees?**
  - The total group size is the number of full-time employees plus the number of FTE part-time employees. Employees are considered part-time if they work, on average, less than 30 hours per week. To calculate a group's FTEs from part-time employees, add up the part-time hours worked during the month. Divide the total by 120 and round down to the nearest whole number.
    - For example, if you have four part time employees who each work 20 hours per week, there are 320 part-time hours worked per month. Divided by 120, these four part time employees count as two FTEs. This total may include employees who are not eligible to participate in a plan given the number of hours they work each week.
- **What about employees that live outside of the coverage area?**
  - Regardless of where an employee may reside, they must be included in the FTE calculation.
- **What about contractors (1099s), seasonal or past employees enrolled in COBRA/Missouri State Continuation?**
  - Groups of 100 percent independent contractors will not be accepted; there must be at least one W2 employee on a Wage and Tax Statement.
  - The group must certify that 1099s are eligible for health benefits coverage by submitting a 1099 attestation form.

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

- Contractors and seasonal employees who worked less than 120 days during the average year should not be included when determining group size.
- Past employees currently enrolled in COBRA/Missouri State Continuation should not be included when determining group size.
- **What if the group is a new company?**
  - Groups must be in existence for at least four (4) weeks prior to enrolling Cigna + Oscar for Business coverage. The group size will be based on the number of employees during that time.
- **What about affiliated companies?**
  - In determining group size, if a company has an affiliated company with which it is eligible to file a joint state tax return or is treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986, the two affiliated companies will be considered one employer and the affiliate's employees will be counted when determining if the group is eligible to enroll in small group coverage.
  - Affiliated companies under common control may enroll together if they are eligible to file a combined state tax return and the entire group meets all eligibility requirements.
- **What about Professional Employer Organization (PEO) Groups?**
  - Employees associated with a PEO are employed by the group listing the employees on its Quarterly Wage and Tax Report, such as a Quarterly Wage and Tax Report. Employers who are leasing or sharing employees from a PEO may not cover these employees if the employees do not appear on the group's tax documents.
  - If a group originally using the services of a PEO later decides to employ former PEO employees full-time, they must meet the employee eligibility requirements.
  - Additionally, the following documentation is required:
    - Payroll documentation for all enrolling employees
    - A letter from PEO or screenshot from the web portal indicating date membership in PEO canceled
- **What about spinoffs?**

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

- A breakaway or spin-off is a company that is newly formed from employees of an existing company to become a distinct and separate entity. Employees forming this company are no longer employed by the original company and may apply for coverage under a new contract. A breakaway employer must meet all the qualifications for a small group in order to be accepted for Cigna + Oscar coverage.
  - If the breakaway company is still affiliated per section 414 of the Internal Revenue Code of 1986, or can file a combined tax return with the former group, then the companies are treated as a single company. The group is still considered to be a single company even if the companies choose to file separate tax returns.
  - For all existing Cigna + Oscar breakaways, the original employer remains with Cigna + Oscar on the existing contract, while the breakaway employer receives a new Cigna + Oscar for Business ID.
- **What about classes / carve-outs?**
  - A carve out or class out where only certain classes of employees are offered coverage, with different waiting periods, or with different contribution levels is allowed. It is the group's responsibility to ensure that any carve out or class out comply with applicable Internal Revenue Code non-discrimination rules. The group of employees should be easily identified by a clear class designation that is reasonable, non-discriminatory and uses objective business criteria for identification.
  - Valid classes for Cigna+Oscar business would include the following unless otherwise stated:
    - Management / Non-Management
    - Hourly / Salary
    - Union / non-union

## One Life Groups

In order to qualify as a "group health plan" under ERISA, an employer must have at least one (1) common law employee\* that is eligible and enrolled in addition to an owner and the owner's spouse. A person, spouse and minor children shall constitute only one eligible employee when

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

they are employed by the same small employer (MO ST 379.930(15)).

01. **Partnerships or Limited Partnerships:** If only partners and their spouses are covered, they are not a group health plan, unless there is at least one (1) other common law employee eligible and enrolled in coverage or if the partners are bona fide partners pursuant to 45 CFR 146.145(c)(2). 1099 Contractors are not considered common law employees.
02. **Partnerships where only the partners and / or their spouses are covered,** are not a group health plan, unless there is at least one (1) other common law employee eligible and enrolled in coverage or if the partners are bona fide partners pursuant to 45 CFR 146.145(c)(2).
03. **Corporations (S or C) or LLCs:** Two owners who are not spouses, qualify as a group health plan in all cases, if at least one of the owners can document that they are actively working and must enroll.
04. **Marriage** is a matter of state law, and would include civil unions as allowed by state law. Domestic partners who are not married and individuals who are legally divorced are not considered “spouses” for purposes of applying this Rule.
05. **Children** of the sole owner may be the other common law employee, and not as a dependent, so long as s/he is over the age of 18 (i.e., no longer a minor child per state law) and is enrolled for coverage under the terms of the employer-sponsored plan.

\* A common law employee is defined as an employee receiving a W-2 that is neither the owner nor owner’s spouse.

## Required Documents

To apply for coverage for a group, Cigna + Oscar requires all of the following:

- **Missouri Business Enrollment Form**
  - This can be completed online in the Cigna + Oscar enrollment portal.
  - If a group is enrolling two (2) members or fewer, you must also include proof of ownership, such as a Statement of Information, Articles of Incorporation, or current / active business license.
- **Missouri Employee Enrollment application(s)**
  - One (1) application should be completed for each enrolling employee or

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.



COBRA/Missouri State Continuation recipient. These applications can be completed entirely online by employees - or completed on paper and then entered in the portal by the authorized Broker or GA. Paper enrollment forms alone will not be accepted by Cigna + Oscar.

- **Employee Waiver form(s) and applicable waiver documentation**
  - One (1) form is needed for each employee waiving or refusing coverage, including COBRA/Missouri State Continuation employees. Waivers may be completed online in the Cigna + Oscar enrollment portal.
- **Business Entity Documentation**
  - Copy of Business Entity Document for all enrolling groups to verify eligibility to conduct business in the state of Missouri.
- **Quarterly Wage and Tax Form** is required for groups for all enrolling groups, unless there are seven (7) or more eligible enrolling employees.
  - Documents submitted must include all enrolling employees.
- **ACH Authorization Form**
  - It is optional but highly encouraged to expedite member ID card delivery. ACH payments can be set up for automatic deduction on the first of every month or can be uploaded solely for an automatic first payment.
  - If the group wishes to pay the first premium via check, they must wait for approval and the first bill generation and delivery; additionally, **a copy of the check must be uploaded during the submission.**
  - The first premium check should be mailed along with the bill stub and can be overnighted to the following address:

Bank of America Lockbox Services  
 Cigna + Oscar, Insured by Cigna Health and Life Insurance Company,  
 LockBox 412803  
 MA5-527-02-07  
 2 Morrissey Blvd  
 Dorchester, MA 02125

- **Payroll verification** through appropriate tax documentation (required for all groups unless there are seven or more eligible enrolling employees) - listed below.

**Additional Required Enrollment Documents by Group Type:**

Type of group	Documents required
Sole Proprietorship*	One (1) of the following: <ul style="list-style-type: none"> <li>● IRS Schedule C and 1040 Form (If owner is not listed on Quarterly Wage and Tax Report)</li> <li>● IRS Schedule F and 1040 Form for Farms</li> </ul>
Corporation	Missouri Secretary of State active web confirmation, and one of the following: <ul style="list-style-type: none"> <li>● Owner Affidavit</li> <li>● If owners not listed on Quarterly Wage and Tax Report, IRS Schedule K-1 (Form 1120-S) - include all K-1's totaling 100% ownership, IRS Form 1120 (pages 1-2), IRS Form 1125-E or IRS Schedule G or a W-2</li> <li>● Additional proof of income for the owner may be required if tax filings are not available due to length of time in business</li> </ul> Corporations established out of state will also need to provide a Certificate of Qualification or Statement by Foreign Corporation in addition to the above documentation.
Partnership / Limited Liability Partnership (LLP)	If owners not listed on Quarterly Wage and Tax Report, then one of the following: <ul style="list-style-type: none"> <li>● Recent IRS Schedule K-1 (Form 1065):include all K-1's totaling 100% ownership, or Partnership Agreement &amp; Tax ID Appointment Letter</li> <li>● W-2</li> </ul>

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

	Partnerships or LLPS established out of state will also need to provide a Certificate of Qualification or Statement by Foreign Partnership in addition to the above documentation.
Limited Liability Company (LLC)	Statement of Organization with Operating Agreement <ul style="list-style-type: none"> <li>• If owners not listed on Quarterly Wage and Tax Report, recent K-1 or other applicable tax filing document or W-2</li> </ul>
Non-Profit Company	Most recent Quarterly Federal Tax Return (IRS Form 941), current payroll report, and one of the following: <ul style="list-style-type: none"> <li>• IRS letter 501c3</li> <li>• IRS application for exempt status</li> <li>• Missouri Secretary of State active web confirmation</li> <li>• National Federal Credit Union active web confirmation</li> </ul>
Group who filed a consolidated tax return as an affiliated group	<ul style="list-style-type: none"> <li>• IRS Form 851, or a letter from a CPA</li> </ul>
Churches	<ul style="list-style-type: none"> <li>• IRS Form 941</li> <li>• Payroll records from the prior four (4) weeks</li> </ul>
Seasonal industries	<ul style="list-style-type: none"> <li>• Prior four (4) Quarterly Wage and Tax Report reports</li> </ul>
Spinoffs	Four (4) weeks of payroll or Quarterly Wage and Tax Report, and relevant employer documentation listed above depending on type of group
Startups	Four (4) weeks of payroll or Quarterly Wage and Tax Report, and relevant employer documentation listed above depending on type of group
<b>Type of enrollee</b>	<b>Tax documents required</b>
New Hires not appearing on the most recent Quarterly Wage and Tax Report	Most recent four (4) week payroll report and dates of hire for all New Hire employees
COBRA/Missouri State Continuation Coverage Enrollees	Most recent Quarterly Wage and Tax Report Form on which employees appeared, or bill from group's prior carrier listing COBRA/Missouri State Continuation enrollees

\* Owner Only (e.g., Sole Individual Owner/Proprietor): When the owner is just the individual or the individual and his/her spouse, it is not a group health plan unless at least one (1) other

common law employee is enrolled in the plan. See section “One Life Groups” for more information (It does not matter if the business’ legal tax structure is an LLC or other Corporation).

In order to verify eligibility, Cigna + Oscar’s Eligibility team may request additional documentation above and beyond what is listed here.

Keep in mind that the group’s coverage will not begin until the application has been approved by Cigna + Oscar’s Eligibility Team and payment has been received. Cigna + Oscar may request additional documentation, including payroll records and employee wage and tax filings, to determine a group’s eligibility. Check payments may take up to 10 days to process.

**Please note:** Any eligible employee or dependent enrolled in Cigna + Oscar small group health coverage may not also be enrolled under an Oscar-underwritten individual policy. The applicant must elect one or the other policy to avoid duplication of coverage.

# Eligibility

## Employee Eligibility

An employee is eligible to participate in the small group plan if:

01. The employee meets the hourly requirements for eligibility.

An eligible employee is any permanent employee who is actively engaged on a full-time basis in the conduct of the business of the small employer with a normal workweek of at least 30 hours, at the small employer’s regular places of business, who has met any statutorily authorized applicable waiting period requirements.

Officers, Sole proprietors or partners of a partnership are eligible employees, if they are actively engaged on a full-time basis in the small employer’s group, receive a W-2 and are included as employees under a health care plan contract of a small employer.

Permanent employees who work at least 20 hours but not more than 29 hours are deemed to be eligible employees if all five of the following apply:

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

01. They otherwise meet the definition of an eligible employee except for the number of hours worked.
02. The employer offers such employees health coverage under a health benefit plan.
03. All similarly situated individuals are offered coverage under the health benefit plan.
04. The employee must have worked at least 20 hours per normal work week for at least 50 percent of the weeks in the previous calendar quarter. We may request any necessary information to document the hours and time period in question, including, but not limited to, payroll records and employee wage and tax filings.
05. Meets the individual employee criteria as defined by the Missouri Small Group Act for an eligible part-time employee.

Former employees who are eligible for state or federal continuation may enroll for the period permitted by law.

Cigna + Oscar may request additional documentation, including payroll records and employee wage and tax filings, to determine an employee's eligibility.

The following types of employees are **not** eligible:

- Leased/shared employees
- Board of Director members and stockholders, unless they are also working at least 20 hours per week
- Temporary and seasonal employees
- Residents of Hawaii or workers living outside the United States
- Part-time workers, unless offered by the employer and meet the requirements listed above
- Domestic help or household staff

## Dependent Eligibility

If electing dependent coverage, the employee must enroll eligible dependents within 31 days of the dependent's eligibility date, unless a valid QLE applies. Eligible dependents include spouses, natural children, stepchildren, legally adopted children, unmarried disabled children, newborn children, children for whom the employee has legal custody, and children for whom the employee has court ordered custody and are chiefly dependent on the employee for

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

support. Foster children and grandchildren are not covered unless the employee is the legal guardian.

Spouses and domestic partners who work for the same employer may enroll separately, or one may enroll as a dependent under the other's coverage. If a child's parents are employees of the same employer, the child may only be covered under one plan if the parents are enrolled individually.

Children are eligible for coverage until the end of the month in which they reach the age of 26.

Cigna + Oscar shall notify the subscriber that the dependent child's coverage will terminate upon reaching the age of 26 unless the subscriber submits proof of the criteria above within 60 days of the subscriber's receipt of Cigna + Oscar's notification. Cigna + Oscar will send this notice to the subscriber at least 90 days prior to the date the child will reach the age of 26. Cigna + Oscar will determine whether the child meets the criteria before the child reaches age 26. Cigna + Oscar may request more information about the child whose coverage is continued beyond age 26 as needed, but not more frequently than annually after the two-year period after the child reaches age 26.

# Requirements

## Waivers

Some employees will have coverage through another source and will not want or need coverage with the group plan. If these employees are covered due to the following reasons, then they are considered a "valid waiver":

01. Coverage by another group's plan
02. Coverage by Medicare, Champus (Military), VA, or TriCARE
03. Coverage by COBRA
04. Enrolled as an individual in a health plan
05. Enrolled as a dependent in a group health plan through a different employer

## Minimum Employer Contribution

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

Employers must contribute at least 50 percent of the employee premium. If an employer contributes 100 percent of the employee premium, 100 percent of the employees must enroll. If groups are enrolling during the Federal Enrollment Period, contribution requirements may not apply. Refer to section “Annual Enrollment Period” for additional information.

## Participation Requirements

Groups must ensure that employee participation requirements are met at the time the group initially enrolls and each year upon renewal. These requirements are listed below:

- 25% of eligible employees must enroll after valid waivers
  - Add up enrolling employees
  - Divide by total FTE, minus valid waivers
  - Result must be greater than or equal to 25%
  - **Example Participation Calculation:**
    - 30 total eligible employees
    - 10 employees waive because of group coverage through a spouse
    - 20 net eligible employees
    - $20 \times 25\% = 5$  Participation requirement: 5 employees

If an employee chooses to waive coverage, Cigna + Oscar reserves the right to confirm participation requirements by collecting the employee’s current carrier documents, including but not limited to the ID card and the policy effective date.

If groups are enrolling during the Federal Enrollment Period, participation requirements may not apply. Refer to section “Annual Enrollment Period” for additional information.

# Enrollment

## How to Submit an Enrollment

Enrollment can be submitted online at [business.hioscar.com](https://business.hioscar.com). It’s typically helpful if whoever is submitting the enrollment has reviewed the Cigna + Oscar small group Missouri enrollment

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

forms, which can be found at <https://www.hioscar.com/brokers/cigna>.

To access the enrollment portal you must first get an account from Cigna + Oscar. If you are a member of a contracted general agency or appointed broker for the state of Missouri you will automatically be granted an account. Others should contact Cigna + Oscar support directly for assistance. Once you have an account the entire enrollment of a group can be done online and paperless.

## **Effective Dates and Important Deadlines**

New groups may start coverage on the 1st or 15th of any future month. Once the effective date has been set and confirmed during the Annual Enrollment Period, requests for a change in effective date will not be allowed. Small groups may begin their applications as early as 60 days in advance of the desired effective date. However, final rates are based upon final enrollment date and enrollee information for composite rating.

All completed applications and requested documents must be submitted by the 5th business day after the desired effective date; however, if additional documents are required, documents must be received within either an additional five (5) business days from when the request was sent or by the 10th calendar day after the effective date, whichever is earlier, in order to honor the requested effective date.

## **Late Enrollees**

Eligible employees and dependents who did not sign up for the group's health plan when they were first eligible to enroll and later request enrollment are designated as "late enrollees." A late applicant must wait until the group's next enrollment period to request coverage. This does not include "New Hires" or employees that have a valid QLE.

## **Annual Enrollment Period**

The annual enrollment period is the 30 days prior to the group's renewal date. During the annual enrollment period, eligible employees who did not enroll during the new hire enrollment period, including late applicants, may sign up for coverage and enrolled employees may change plans or add/remove dependents.

Groups that do not meet our participation and/or contribution requirements listed in the

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.



“Minimum Employer Contribution” or “Participation Requirements” sections are eligible to enroll between November 15 and December 15 of each year for a January 1 effective date. Groups may also change the designated waiting period, and plan offerings within 30 days of their eligibility date. Other Underwriting Guidelines still apply. Groups must be complete and have all requirements submitted by December 15.

## Special Enrollment Period

Outside of the annual enrollment period, when an employee or dependent (including the employee’s spouse) loses coverage or experiences a qualifying event, they may be eligible for a Special Enrollment Period. Please note that the employee and dependents must otherwise be eligible to enroll. Supporting documentation must be submitted with the Qualifying Life Event, such as a letter from the member's prior insurer indicating date coverage ended, a marriage certificate, a birth certificate, etc.

The employee, spouse, domestic partner and/or dependents may enroll due to the following events (see the Evidence of Coverage, section “Special Enrollment Periods” for valid periods):

- Loss of minimum essential coverage
- An Employee or Dependent has lost or will lose coverage under another employer health benefit plan as a result of
  - termination of his or her employment;
  - termination of employment of the individual through whom he or she was covered as a Dependent;
  - change in his or her employment status or of the individual through whom he or she was covered as a Dependent;
  - termination of the other plan’s coverage;
  - exhaustion of COBRA or Missouri State Continuation coverage;
  - cessation of an Employer’s contribution toward his or her coverage;
  - death of the individual through whom he or she was covered as a Dependent, or
  - legal separation, divorce or termination of a Domestic Partnership.
- Employee gains or becomes a dependent, including in the case of legal guardianship
- Health coverage issuer substantially violated a material provision of the health coverage contract

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

- Employee or Dependent gains access to new health benefit plans as a result of a permanent move
- Employee or Dependent gains access for Exchange coverage or help paying for coverage, including newly eligible or ineligible for advance payments of the premium tax credit (APTC) or has a change in eligibility for cost-sharing reductions (CSR)
- Employee or Dependent are survivors of domestic abuse or spousal abandonment

The employee, spouse, domestic partner and/or dependents may also enroll 60 days from date of a qualifying event, such as:

- Loss of qualifying health coverage
- Change in primary place of living

## Waiting Periods

Waiting periods are elected by the group employer and can only be changed during the annual enrollment period. They are not applicable during the group's initial enrollment and will go into effect for employees joining after the group's initial coverage start date.

During the annual enrollment period, groups may choose a waiting period in accordance with federal regulation. The group may not impose a waiting period that exceeds 90 days. If the group chooses to impose a waiting period, it must be consistently applied to all employees.

Waiting period options may be applied as follows:

- None
- First of the month following Date of Hire
- First of the month following one month (30 days) from Date of Hire
- First of the month following two months (60 days) from Date of Hire
- 30 days from Date of Hire
- 60 days from Date of Hire
- 90 days from Date of Hire

The employer may waive the waiting period for all new hires at the initial group enrollment only. The group's waiting period is applied to all employees in the group with no exceptions for any eligible employee. Note: Dual waiting periods are not allowed.

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

## Plan Choices

Employers may select up to three (3) Cigna + Oscar benefit plans to offer their employees. There are no restrictions on the combination of plan options.

## Rates

### Individual Rating:

Premium rates are guaranteed for 12 months and are based on the employer's location in the Cigna + Oscar Service Area, not on the health history of the group. A group's final rate is calculated once the completed group enrollment has been submitted. Rates are based on the enrollees' ages on the effective date of the contract. Rates are recalculated on the contract anniversary. Final rates, effective date and group approval will be determined by Cigna + Oscar small group underwriting.

### Composite Rating:

Premiums are calculated based on the average age of all employees at the time of enrollment. Rates will be fixed for the 12 month contract period, regardless of the addition or removal of employees. Rates will be quoted based on predicted census, but the final premium will be recalculated to include the final census as of the effective date.

Rate tables are posted at [hioscar.com/brokers/cigna](https://hioscar.com/brokers/cigna) and Cigna + Oscar quotes are available through the broker portal at [business.hioscar.com](https://business.hioscar.com), major quote engines and general agent partners.

## Prior Carrier Deductible and Max Out-of-Pocket Credit

Cigna + Oscar will credit the amount of the deductible and maximum out-of-pocket (MOOP) satisfied for medical expenses under the benefit plan of the employer group's prior carrier in the same calendar year as the selected Cigna + Oscar plan; however, there is no prior carrier deductible or MOOP credit for outpatient prescription drug coverage. The employer's prior carrier information is provided by the employer via a deductible credit form obtained from the forms section of the website ([hioscar.com/forms](https://hioscar.com/forms)) and/or through EOBs submitted in spreadsheet form. Prior deductible credit is available only for individuals enrolled in the group plan as of the initial effective date with Cigna + Oscar. In addition, the individual must be enrolled in the same metal tier with Cigna + Oscar as enrolled with the prior carrier.

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

## **Takeover Provisions**

Cigna + Oscar small group takeover provisions comply with the following:

Any carrier providing replacement health coverage within a period of 60 days from the date prior coverage is discontinued and which provided health coverage comparable to the new contract will be required to cover all employees and dependents who were both validly covered under the prior contract at the time the contract was discontinued AND within the definitions of eligibility under the succeeding carrier's contract.

## **Group Buy-Downs**

Buy-downs, in other words, selecting a plan with lesser premium, will not be accepted outside a group's Annual Enrollment Period. Should the group request a termination and buy-down ("re-write"), 60 days written notice must be provided. Additionally, the group will have to change their policy / plan year in accordance to their ERISA group health plans. Prior year deductible credits will not be given.

## **Workers' Compensation**

Enrolled employers must offer a workers' compensation policy as required by law.

## **COBRA**

The employer is responsible for administering COBRA within the guidelines set by the federal government for employer groups. Employers may choose to administer COBRA or may use a COBRA Third Party-Administrator (TPA). Cigna + Oscar does not administer COBRA on behalf of employer groups.

COBRA participants are included on the monthly employer group invoice. The employer must collect premiums and send any required notices to COBRA enrollees. Employers may charge up to 102% of the group rate for COBRA enrollees.

## **Missouri State Continuation Coverage**

Groups employing between two (2) to nineteen (19) FTE employees for at least 50% of the preceding calendar year are required to offer Missouri State Continuation Coverage to

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

employees who are no longer eligible for group health coverage.

The following events are Missouri State Continuation Coverage qualifying events:

- Employee's termination of employment or reduction in hours
- Death of subscriber
- Divorce or legal separation from the subscriber
- Loss of eligible dependent status of an enrolled child
- Subscriber becomes entitled to Medicare
- Expiration of COBRA coverage if COBRA lasted 18 months

It is the employer's responsibility to comply with Missouri State COBRA Continuation requirements through mailing notices and collecting premium payments.

## **Medicare Reporting**

Each year all carriers must report to Centers for Medicare & Medicaid Services (CMS) the number of Medicare Secondary Payer (MSP) groups and the number of employees, based on the number of employees provided by the employer. Cigna + Oscar follows CMS guidelines in coordinating benefits for Medicare-entitled employees and dependents based on age, disability, and end-stage renal disease (ESRD).

## **Guaranteed Renewability**

A group must be renewed unless the group has been terminated for one of the following reasons:

- Fraud or misrepresentation of material facts
- Failure to meet Cigna + Oscar's service area requirements if no employee lives, works or resides in the service area
- Inability to meet group requirements under Cigna + Oscar's underwriting guidelines or applicable state and federal law
- Cigna + Oscar discontinues a class of plans or withdraws from the market

# **Voluntary Terminations**

**Cigna + Oscar coverage is insured by Cigna Health and Life Insurance Company.**

Benefits administered by Oscar Management Corporation. Pharmacy benefits are provided by Express Scripts, Inc.

## **Group Terminations**

A group must provide written notice to Cigna + Oscar requesting the group's termination by a full business day prior to the group's planned effective date.

## **Employee Terminations**

A group must notify Oscar as soon as an enrollee (holder, spouse, or dependent) no longer meets the eligibility requirements of the policy. Notice must be provided within 30 days of the event.

If a group would like to terminate an employee's coverage, written notice must be provided to Cigna + Oscar's Eligibility team. Coverage will terminate on the actual date specified by the group or employee or at the end of the month. If the group or employee requests to terminate coverage retroactively, then employees can be terminated up to 30 days retroactively from the date written notice is received by the Cigna + Oscar Eligibility team.