

## 1/23 Small Group Life Underwriting Guidelines

### Eligibility:

- ◆ 2-100 employees with over 50% of the total group located in California, subject to Out-of-Area Requirements below.
- ◆ Owner-only groups are not eligible. There must be a minimum of one W-2 employee who is not a spouse of the owner or partner.
- ◆ Out-of-Area Requirements
  - A maximum of 49% of the group's eligible population may be out of state.
- ◆ Probationary period for new hires can be first of the month following: date of hire, 1 month, 30 days, or 60 days. *Note:* the probationary period must match Medical.
- ◆ "Flat" benefit schedules only.
- ◆ Benefits reduce to 65% of the original benefit at age 65, and further reduce to 50% of the original benefit at age 70.
- ◆ Contribution and participation requirements vary by group size. *Note:* Unlike Medical, waiving for other coverage will count against participation.
- ◆ Carve-outs are not available.
- ◆ Employees must meet the actively-at-work requirement in order to be eligible. Additionally, they must be working full-time at the employer's regular place of business at least 20 hours per week to be eligible. *Note:* The number of hours must coincide with Health Net medical eligibility guidelines.
- ◆ Retirees, COBRA enrollees, part-time employees, seasonal employees, and 1099s are not eligible for coverage.

### Medical Evidence of Insurability:

- ◆ EOIs are necessary:
  - If coverage is applied for later than 31 days after the date of eligibility.
- ◆ Subject to Underwriting Approval:
  - Medical conditions reported on the EOI.
  - Coverage requiring EOIs will not become effective until approved in writing by Health Net Life.
  - Some SIC classifications are excluded.

### Submission:

- ◆ All cases requesting coverage on the 1<sup>st</sup> must be submitted by the 5<sup>th</sup> of the month for which coverage is to be effective.
- ◆ For medical groups that are effective on the 15<sup>th</sup> of the month, Life coverage will be effective on the first of the month prior to the start of medical coverage. For example, for medical groups that are effective on 1/15/2015, Life coverage will be effective on 1/1/2015.

### Groups of 2-9 Eligible Employees:

- ◆ Standalone Life is not available.
- ◆ Life benefit of \$15,000.
- ◆ Employer contribution and participation must be 100%.
- ◆ No more than 25% of employees may be 60 or older.

### Groups of 10-14 Eligible Employees:

- ◆ Standalone Life is available.
- ◆ Life benefit of \$15,000.
- ◆ Minimum of 50% employer contribution.
- ◆ Minimum participation:
  - 75% if contributory.
  - 100% if non-contributory.

### Groups of 15-24 Eligible Employees:

- ◆ Standalone Life is available.
- ◆ Life benefit of \$15,000 or \$25,000.
- ◆ Minimum of 50% employer contribution.
- ◆ Minimum participation:
  - 75% if contributory.
  - 100% if non-contributory.

### Groups of 25-100 Eligible Employees:

- ◆ Standalone Life is available.
- ◆ Life benefit of \$15,000, \$25,000, or \$50,000.
- ◆ Minimum of 50% employer contribution.
- ◆ Minimum participation:
  - 75% if contributory.
  - 100% if non-contributory.