

Update to Blue Shield's Off-Exchange Package for Small Business

Bronze PPO 4000/70 and Bronze PPO 6000/65 closing to new membership

At the direction of the Department of Managed Health Care (DMHC), Blue Shield of California will suspend new group and member enrollment into our Bronze PPO 4000/70 or Bronze PPO 6000/65 plans until modifications to these plans are submitted and approved.

General FAQs

1. **Q. Which plans are impacted?**

- A.** Two of our three Bronze PPO Off-Exchange plans are impacted:
- **Bronze PPO 4000/70 OffEx** (Full PPO and Tandem PPO networks)
 - **Bronze PPO 6000/65 OffEx**

The following bronze plans are not impacted:

- Bronze PPO 6500/50% OffEx
- Bronze PPO Savings 5300/45% OffEx
- Bronze PPO Savings 6650 OffEx
- Bronze 60 PPO 6300/75 Mirror

2. **Q. Why is the DMHC requiring Blue Shield to suspend enrollment in these plans?**

- A.** While the abovementioned plans were initially approved by the DMHC and are compliant with Federal Actuarial Value (AV) requirements of 60% (+5%/-4%), these plans exceed the maximum AV allowed at the California state level (60%, +/- 2%). Therefore, BSC must make changes to the plans to lower the AV to the allowed range.

3. **Q. What is the DMHC requiring Blue Shield to do?**

- A.** Blue Shield must cease actively marketing the plans identified for new sales and stop new enrollment into these plans until they have been revised and re-approved.

4. **Q. When does this change go into effect?**

- A.** February 8, 2019. Blue Shield cannot accept any new groups or new membership into these plans after this date.

5. **Q. What happens if a group or employee selects one of these plans?**

- A.** Any applications received after February 8 for enrollment in the above plans will be pended until new plans are selected by the group and/or employee(s).

6. **Q. How are members enrolled in these plans affected?**

- A.** There are no immediate changes to benefits or access to care for current members.

7. **Q. When will the modified plans be available?**
A. A market announcement will be made with plan details and availability for quoting when they are again approved by the DMHC.
8. **Q. Will this impact rates for these plans?**
A. The modified plan designs will be leaner in order to reduce the actuarial value below the 62% threshold and will be rated accordingly.
9. **Q. Where can I obtain a list of my impacted groups or members?**
A. Producer Services - (800) 559-5905.