January, 2017

This Broker Update newsletter provides timely news and updates specifically for Small Business. This issue covers:

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**A note from Jim Elliott, VP & GM Core Accounts, Small Business Market, Producer & Channel Partner Relations**

I’d like to take a moment to say thank you for all you have done for Blue Shield of California in the last year. Your partnership is important in the pursuit of our goal for all Californians to have access to high-quality health care at an affordable price.

Your commitment has been key in our shared achievements, and most recently, this year-end with the successful open enrollment and renewals for December and January.

Although last year presented challenges as we completed the multi-year implementation of our new claims and administration system; we appreciate your patience through the process. Your collaboration was also essential to complete the 51-100 size group transition from large group into small business to position us for continued growth in 2017. We are also improving customer
experience as you saw with our mobile and website redesigns last year and we’ll continue to deliver on our digital roadmap to make working with us easier.

We continually strive to curb the rising costs of health care, by partnering with CVS pharmacy, including programs such as Teladoc and Wellvolution in our medical plans and continuing to expand our ACO network. We look forward to your continued partnership in the promotion of our Trio products, as well as our ACO PPO launch next year, both of which have outstanding value for our mutual customers.

On behalf of the whole company, we say thank you. We’ll continue to work hard to meet your expectations. Our sales and account management teams are committed to working closely with you on even more successful 2017.

I’m excited about the momentum we’re building together and again thank you for a great 2016.

Sincerely,

Jim Elliott
VP & GM Core Accounts, Small Business Market, Producer & Channel Partner Relations
Blue Shield of California

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**BROKER TOOLS**

**Changes to EC+ transactions for loss of coverage events and court orders**

Employer Connection+ is working to implement necessary changes around transactions for loss of coverage events and court order additions.

Currently when a broker or group administrator attempts to enroll a member under one of these scenarios, EC+ does not allow the required supporting documents for the qualifying event to be loaded and so the transaction is pended. The broker or group administrator then has to submit the paperwork via email or fax, delaying the enrollment process.

To provide a cleaner customer experience EC+ is going to remove the option to enroll under these scenarios and require the enrollment be submitted via paper. You will be notified when this change has been implemented and is reflected on EC+.

We continue to enhance our automation and technology for a better customer and broker experience, and we appreciate your patience in working with us while we make these system improvements.
No paper trail – SGOR tool online

Recently we sent a notification that our SGOR tool would not be available until mid-February and paper Request for Contract Change forms would be required. We have resolved this issue and the SGOR tool is available now.

411 on 1095 forms

Blue Shield of California will send out 1095-B forms to small group employees enrolled in the 2016 year by January 31, 2017. After these forms have been mailed you may call Employer Services at (800) 325-5166 and request copies of these forms to assist with filling out the 1095-C forms. Consult a tax professional for guidance on completing or submitting 1095 forms. If you have questions regarding the availability of the forms, please email producer.services@blueshieldca.com.

REMINDERS

What’s New in Q2

Download the complete What’s New flyer on Producer Connection and keep your clients informed of the plans and programs available for their business and members for 2017. Second quarter rates are posted on Producer Connection. You can start quoting all Q2 business now.

April renewals are available. Visit the Renewal Page on Producer Connection to download your client’s renewal kits.

Trio network taking root

Blue Shield is committed to bending the health care cost curve and Trio ACOs are integral in our plans. We are excited about the IPAs joining this effort in 2017 and for the geographies that are now part of the Trio network offering.

The expansion impacts San Diego, Riverside, San Bernardino, San Mateo, and Nevada counties. For a complete listing of Trio covered zip codes and ACO providers with which we collaborate, visit blueshieldca.com/aco.

2016 Medical Loss Ratio Rebate (MLR) - Employer Survey

The Affordable Care Act required Blue Shield of California to spend a certain percentage of premium revenue on medical expenses. This percentage is known as the medical loss ratio (MLR). The MLR reporting and rebate requirements apply to all fully insured group and individual plans, including grandfathered plans. They do not apply to self-funded (ASO) business.

In December, 2016, Blue Shield emailed the 2016 Medical Loss Ratio (MLR) employer survey to fully insured client groups to provide the following information for us to calculate our 2016 MLR:
• What is the average number of employees for the business in calendar year 2015? (So the group can be accurately categorized for MLR purposes)
• Is the business wholly owned by one individual or the individual and his/her spouse?
  □ Is the group a non-governmental or non-ERISA plan?

On February 6, 2017, Blue Shield will mail the 2016 Medical Loss Ratio (MLR) employer survey letter to fully insured client groups that did not respond to the original survey request.

Employer groups can provide the following information by going to blueshieldca.com/groupsize or by faxing the form back to (855) 895-3497. Survey information is required by February 25, 2017.

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**MEMBERS ONLY**

**Teladoc included in all 2017 plans**

All new groups and groups renewing in 2017 will have Teladoc included in their medical plans. Members will need to register with Teladoc prior to accessing service. Once registered, Teladoc will inform members directly how to use their services. There are no additional charges for members to register with or use Teladoc. Teladoc is a cost-saving service with $5 copays for most plans. Find out more about Teladoc.

**Doing well with Wellvolution**

Wellvolution℠ is included in all of our small business plans. Members can focus on improving their health by participating in programs including: Wellbeing Assessment, Daily Challenge, and Quitnet. Plus, Wellvolution members can now participate in Walkadoo using their smartphone* or step tracker with the Walkadoo app.

Wellvolution also now includes a Diabetes Prevention Program (DPP). The DPP can help members lose weight, adopt healthier habits and reduce the risk of developing type-2 diabetes. This benefit is available at no cost to members and is included in all medical plans upon renewal, beginning November 2016. Visit solera4me.com/shield for more information.

Beginning January 1, 2017, Quitnet will include nicotine replacement therapy (NRT) at no additional charge for all groups, regardless of renewal date.

Visit mywellvolution.com for more information (login required). Please see your Evidence of Coverage for a detailed description of coverage benefits.

*The Walkadoo app is available for iPhone 5s and Android version 14, or later.
Questions? Email Producer Services or contact your Blue Shield representative.

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