

The Administrators, Inc.

# Bene*fits* Handbook

## What You Need to Know About Your Health Insurance

Dear Benefits Administrator:

We at The Administrators, Inc. are committed to your satisfaction with your coverage and you may be assured that we are obsessed with ensuring that satisfaction.

This handbook will make it even easier for you to manage your employee benefits. It contains the information you need about our coverage, enrollment and change policies.

When future policy changes occur, we will update you through a mailing of our *BeneFits* newsletter. I urge you to read each issue of *BeneFits* to stay informed. You can also request an updated handbook at any time by contacting our Customer Service Department.

Our knowledgeable benefits specialists in sales and customer service remain ready to assist you and your employees with any questions or needs concerning your insurance coverage. Please give us a call anytime you have a question.

I also urge you to visit [TheAdministratorsInc.com](http://TheAdministratorsInc.com) and click on the Important Insurance Update link. Current benefit issues will be posted at this location first.

We're certain that this manual, our website and the personal attention from our benefits specialists will help make the process of selecting, enrolling and managing your employee benefits easier than ever.

We look forward to assisting you with all of your insurance product and service needs.

Sincerely,



Stephen Markowitz,  
Chief Executive Officer

### Welcome to Your *BeneFits* Handbook

This handbook is your guide to all things insurance, including the policies and procedures you need to manage your health insurance.

Our contact information is also included below so you can have your benefit questions and needs easily met by our knowledgeable specialists.

#### **TAI Company Directory**

##### ***Contact Information***

Monday through Friday  
Between 9 a.m. and 5 p.m.  
Plus 24-Hour Voice Mail

##### ***Address***

867 Sussex Boulevard, P.O. Box 800  
Broomall, PA 19008

##### ***Phone Numbers***

800-634-4428  
610-604-4500

##### ***Fax Number***

610-604-4922

##### ***Website***

[TheAdministratorsInc.com](http://TheAdministratorsInc.com)  
24-hour a day access to benefit information, insurance updates, a premium quoting tool, a glossary of insurance terms, insurance FAQ's and forms.

##### ***E-mail Address***

[BenefitHelp@TheAdministratorsInc.com](mailto:BenefitHelp@TheAdministratorsInc.com)

## **Procedures**

### ***Privacy Policy***

We pledge your privacy is as important to us as it is to you. As a result, a Notice of Privacy Procedures is provided to state our commitment to that pledge. Your protected health information (PHI) as detailed in the Privacy Act of the Health Insurance Portability and Accountability Act (HIPAA) is protected as follows.

We will protect the use and disclosure of PHI and your rights relative to PHI. PHI is defined by the Act as individually identifiable health information that relates to past, present or future health or payment information.

### ***Authorization Forms***

TAI will require you to give us written authorization to discuss PHI, even with those entities who also follow all regulations relative to HIPAA. The authorization may be given on a case-by-case basis or given as a blanket authorization to handle your account. Members of your family who are over 18 years of age are required by the Act to give authorization if we are to be allowed to discuss their PHI with you. Authorizations can be revoked at any time by writing to TAI.

### ***Online Benefit Information***

Access your health insurance information 24-hours a day, 7 days a week at [TheAdministratorsInc.com](http://TheAdministratorsInc.com). Our interactive website allows you to:

- Streamline your benefit communications by using e-mail for certain activities
- Keep informed of new products, policies and trends that can help you save money

Companies who have registered a Benefits Administrator (BA) will receive a username and password to log in on the Association Member Insurance Page of our website. Once logged in the company's BA will be able to:

- View a roster of all enrolled employees and their current products
- Submit address changes, request materials, etc.
- Customize the TAI site for your employees by adding PDFs concerning your company's benefits, policies, etc.

Employee passwords are mailed to the designated Benefits Administrator after: 1) a company registers a BA 2) an employee is added to the company's insurance. Employee passwords allow employees to log in and review their own coverage information as well as any company materials added to the site by their BA.

If you haven't yet designated someone in your company as a Benefits Administrator, you can do so by contacting TAI at 610-604-4500. **Please be aware, it is IMPORTANT that you notify TAI if your Benefits Administrator changes. The original password and username will be deactivated and new ones will be assigned.**

### ***COBRA Continuation Health Coverage***

Consolidated Omnibus Budget Reconciliation Act (COBRA) legislation requires employers to offer continuing health insurance to employees, ex-employees and dependents who otherwise would lose it.

All employers who had 20 or more eligible employees on a typical business day during the preceding calendar year must comply with COBRA guidelines. There are a few exceptions to this rule.

Call TAI at 610-604-4500 to learn how COBRA guidelines apply to your particular situation. We can also offer you access to a COBRA administration company at affordable rates.

### ***Mini-COBRA***

Mini-COBRA is a Pennsylvania law in that gives employees of small businesses (2-19 employees) who receive health insurance from their employers the right to purchase continuation health insurance after they leave employment. It allows eligible employees and dependents to purchase health insurance for nine months after their employment ends.

Call TAI at 610-604-4500 to learn how Mini-COBRA guidelines apply to your business.

### ***Open Enrollment***

Open Enrollment is a period in which members can upgrade and downgrade their insurance. During Open Enrollment, members can also add a dependent or employee for any reason. Normally, a life-changing event must occur in order to add dependents to an existing policy. A divorce, death, birth, adoption, marriage or loss of job are all considered life changing events.

The effective date for any change during Open Enrollment will be the Anniversary date of the group.

For those groups whose Anniversary date is January 1, please contact TAI in October to ensure your change can be processed by the January 1 effective date.

However, for enrollees on a calendar year renewal date, your Open Enrollment will be for the first day of your renewal month. To ensure that your change can be processed, please contact TAI three months prior to your renewal date.

To learn more about the guidelines involving Open Enrollment please contact TAI at 610-604-4500.

*For IBC Groups:*

*Please be aware, all coverage changes require you to provide your business' NAICS Industry Code.*

*Also, if your company has only one enrolled subscriber, you must re-qualify when making a change to your current coverage. The carrier will require you to provide the standard benefit election form as well as documentation to show that your business is active and operational. This may include providing the following forms: a Schedule C for sole proprietors and a certification for licensed professionals.*

### **Downgrading Insurance**

If you feel that your current plan is too costly there are other options available.

Our account executives are ready to develop coverage comparisons that may allow you to exercise greater control over your company's overhead. Contact TAI's Sales Department at 610-604-4500. Paperwork must be received by TAI 30 days prior to your requested effective date. Coverage will become effective on the first day or 15th day of a month depending on your initial carrier enrollment date.

Please be aware, all coverage changes require you to provide your business' NAICS Industry Code.

*For IBC Groups:*

*At anytime during the year, the carrier at its discretion may impose a hold on all policy downgrades which prohibits reducing coverage. This normally begins in July and lasts until January 1. However, for enrollees on a calendar year renewal date, the carrier will not permit downgrades for the three months prior to your renewal.*

### **Adding Employees**

In order to add an employee to your current plan:

1) the employee must complete an enrollment form in its entirety, including: effective date of coverage; date of hire; plan selection (PPO, HMO, ETC); employment status; reason for enrollment or change (new hire, open enrollment, life event, name/address change, provider change); signature and date 2) the company's business owner or Benefits Administrator must sign and date the form.

Once the form is complete it must be sent to TAI.

If coverage is through IBC, a one month premium payment is required. Please make checks payable to USI Affinity. To obtain an application please contact TAI at 610-604-4500.

### **Dependent Eligibility**

Unless as an employer your eligibility guidelines differ, a subscriber's immediate family is eligible for Dependent Coverage. An eligible dependent is defined as a spouse or unmarried child(ren) - including any stepchild, legally adopted child, a child placed for adoption or any child whose coverage is required under the terms of a qualified release or court order.

### **Overage Children**

Effective January 1, 2011, coverage for overage dependent children is extended to age 26.

Also, through the Pennsylvania law known as Health Insurance Coverage for Adult Children, employers have the option to extend health insurance coverage for employees' adult dependents through age 29 and end coverage when a dependent turns 30. Of course, certain eligibility conditions must be met.

Employers will be billed 100 percent of the single subscriber rate for any adult dependents enrolled under a group benefits policy.

To learn more, contact TAI at 610-604-4500.

### **Exceptions**

Eligibility will be continued past the limiting age for unmarried children, regardless of age, who are incapable of self-support because of mental or physical incapacitation and who are dependent for over half their support.

### **Adding Dependent Spouse or Child(ren)**

A life-changing event must occur in order to add a dependent to an existing policy except during Open Enrollment each January 1 or on the first day of the renewal month for off-cycle renewals. A divorce, death, birth, adoption, marriage or loss of job are all considered life changing events.

### **Adding a Newborn**

A newborn is added as a dependent under your policy effective on their date of birth.

*Personal Choice Subscribers.* Premium will be pro-rated from the newborn's date of birth to the end of the month if the newborn addition results in a policy change, i.e. single to subscriber/child, sub/child to sub/children or husband/wife to family.

*Keystone Subscribers.* Premium will be changed according to the following policy. If the date of birth is between the 1st and the 15th of the month, the newborn will be added and premium will be adjusted as of the 1st of the month. If the date of birth is between the 16th and the end of the month, the newborn will be added as of the 1st of the month following the birth.

*Aetna Subscribers.* A newborn is added either on the 1st or the 15th of the month dependent on the Anniversary date of initial enrollment of the group or individual.

*All other carriers.* Please contact TAI at (610) 604-4500 for policy clarification.

To enroll a dependent you need to complete and submit a Change Form to TAI within 30 days of the event. Documentation to verify the life changing event must accompany the application. If for some reason TAI does not receive your notice within 30 days of the event the change cannot take place until the January 1 Open Enrollment Period or on the first day of the renewal month for off-cycle renewals. To obtain a change form or if you have any questions please call TAI at 610-604-4500.

#### ***Removing Dependent Spouse or Child(ren)***

To remove a dependent due to divorce, death, or if a dependent becomes eligible for insurance elsewhere, TAI needs to be notified within 30 days of the event. To obtain a Change Form call TAI at 610-604-4500.

#### ***Removing Employees***

In order to remove an employee from your policy, TAI must receive written authorization from a company officer, the business owner or the company's Benefits Administrator. The employee's name and date of termination must be included.

All terminations are effective on the first of a month. Requests must be received in our office by the 10th of the requested termination month. For example, for a June 1 termination date you must notify us by June 10. Send your request by fax to 610-604-4922, by mail to 867 Sussex Blvd., Broomall, PA 19008 or use the Contact Us or the Member Log In area of our website.

When requesting a cancellation, the single most important notification is to the employee(s) being cancelled. Employers must insure that their employees do not use the medical or prescription coverage after the termination date.

#### ***Refund/Credit Policy***

When a credit is necessary, it will be issued and added to the adjustment section of your next billing statement if your health premium is invoiced by TAI's billing partner.

Refunds may be requested in writing. You can fax your request to TAI's Billing Department at 610-604-4922 or mail it to 867 Sussex Blvd., Broomall, PA 19008.

#### ***Changing Your Business Name, Address or an Insured's Address***

TAI needs to know if you change your business name or address and if your insured employees change addresses. Otherwise, you and your employees may experience delays in receiving billing statements, benefit notices and other important communications concerning your group's insurance.

If your company is changing its name or relocating please notify TAI in writing on your company letterhead and as soon as possible. If you are changing your company's name, please also include a copy of your *Application for Registration of Fictitious Name*. You can fax your notice to TAI at 610-604-4922, mail it to 867 Sussex Blvd., Broomall, PA 19008 or use the Contact Us or the Member Log In area of our website.

In order for an employee to make a change of address, a Change Form needs to be completed. It is important that the employee reports the change as soon as possible to avoid delays receiving documents mailed directly from the carrier. To obtain the required form please contact TAI at 610-604-4500.

#### ***Eligibility for Group Health Insurance***

To continue participating in group insurance products through TAI you must participate in an active, operating business.

All carriers require a minimum of 2 enrolled subscribers to be eligible for group programs.

If you close your business, your group insurance will be terminated the first of the month following your business's closing date.

#### ***For IBC Groups:***

Companies with only the owner eligible for coverage must be enrolled in one of the Sole Proprietor programs. *Exception:* If an owner is in one of the carrier's professionally designated industries they can select from options other than the Sole Proprietor products.

If a company with multiple subscribers removes all subscribers but the owner - they must change their coverage to one of the Sole Proprietor programs (unless in one of the carrier's professionally designated industries) and provide documentation that the group no longer employs full-time staff.

If a company with multiple subscribers removes all subscribers except one employee - the company is no longer eligible to offer group health coverage and the employee must be removed from the coverage.

*As of May 1, 2010 the carrier will no longer allow new enrollments in their existing Sole Proprietor programs.*

### ***Insurance Cards***

Identification cards are mailed from the insurance carrier. Upon enrollment, you will also receive yellow labels that include TAI's phone number. These labels were created to remind you and your employees that TAI is the source for help with non-emergency benefit questions and concerns. Please place the label on the front of your identification card. These labels were designed so they would not interfere with your benefit information.

### ***Unpaid Claims***

Our Customer Service Team is available to assist with the resolution of problem claims. Due to our long term, positive, and unique relationship with major carriers in the area we are able to expedite responses to most inquiries.

When calling us for help, please have the claim handy to provide our staff with the needed information. Please be aware, we may require you to complete an Authorization to Release Information Form prior to our discussing your claim with the carrier. Contact TAI at 610-604-4500.

### ***Billing Partner***

Billing statements for TAI's IBC health insurance products are generated and mailed by our billing partner - USI Affinity. All payments should be made payable to and returned to USI Affinity. All billing and customer service matters, however, are handled by the specialists at TAI.

Any changes made that affect your premium will be reflected on your next billing statement. Off-cycle, revised billing statements will no longer be sent.

You may choose to be billed on a monthly, bi-monthly, quarterly, semi-annual or annual billing schedule. Statements are mailed and payment is due the month prior to the coverage period. For example, if you choose to be billed quarterly, you will be required to pay in December for your January, February and March coverage.

### ***Direct Payment Billing Program***

You have the option of enrolling in the Direct Payment billing program that allows for your premium payment to be deducted automatically from your checking or savings account.

You have the choice of being billed on a monthly, bi-monthly, quarterly, semi-annual or annual billing schedule.

The first Electronic Transfer will occur with the first billing statement after your request is received in our office.

Please keep in mind, if there is a past due balance at the time of your first automatic deduction, the past due balance will also be withdrawn.

You will receive a paper statement that says "This is not a bill. This amount will be withdrawn from your account on the 25th of the month." The premium amount that will be deducted from your account will be the amount that is due at the time your bill was generated. Any changes made to your plan that affect the premium will not be reflected until the following statement.

You must contact TAI in writing to stop this process. Contact TAI's Customer Service at 610-604-4500 for a Direct Payment Authorization Form.

All other carriers will generate an invoice directly to the group.

### ***Returned Checks***

The charge for returned checks is \$20. We will send you written notice that there is a problem with your original payment.

Checks cannot be redeposited. Replacement payment must be by certified check or money order. All personal and business checks will be returned.

Your replacement payment must be received by the date specified by our Billing Department to avoid any possibility of coverage cancellation retroactive to the last date that the coverage was paid in full.

Please be aware, subscribers must call the carrier to continue their coverage on a bill direct basis.

### ***Reinstating Coverage***

#### ***After Termination for Non-payment***

In order to have your insurance policy reinstated after it has been cancelled for non-payment - you must contact TAI's Billing Department.

Once you have contacted TAI's Billing Department you will be required to forward the balance of your company's premium. Payment must be in the form of a certified check or money order and must be received by the date requested by the Billing Department.

To be reinstated, you will also be required to include a \$75 processing fee that must also be in the form of a certified check or money order made payable to The Administrators, Inc. Payment will not be accepted without the processing fee. This fee is neither a premium surcharge nor a penalty payment. It is a charge for the necessary credit and risk review that takes place at TAI prior to a reinstatement decision.

Once payment has been received, our Enrollment Department will update your policy. Please note, depending on your plan it may take up to two weeks to update your policy.

#### *After Leaving TAI for a Different Insurance Plan*

In order to have your insurance re-instated with TAI you must contact our Customer Service Department. You may only re-instate your coverage retroactive to the original termination date.

Once you have submitted a written request you will also need to pay the required premium in the form of a certified check or money order. Once the payment is received your policy will be updated. Depending on your plan it may take up to two weeks for your policy to be updated.

If you do not contact TAI within three months of the termination, your company will need to requalify for coverage. To begin this process, you will need to speak with our Sales Department.

#### ***Important Notice About Carrier Dates, Deadlines, Etc.***



TAI cannot assume responsibility for any changes in product offerings, carrier initiated rate changes, rate errors by the carrier, carrier initiated deadlines, changes in deadlines or underwriting decisions. The carrier is solely responsible for determination of dates for increases. The carrier has the right to correct errors in rates even after distribution. We make every effort to verify and/or correct any carrier rates. Subscribers are responsible for paying the correct premium. When an error is determined, the corrected rate must be paid by the subscriber retroactive to the initial date on which that premium should apply unless otherwise stipulated by the carrier.

## **Medicare Information Section**

### ***Carrier Policy Regarding Medicare Part B***

If an Independence Blue Cross (IBC) subscriber is eligible to enroll in Medicare Part B and has not done so, IBC will calculate covered benefits under the subscriber's IBC group benefit program based on the estimated amount that Medicare would have paid had the subscriber enrolled in Medicare.

As a result, the subscriber will be responsible for paying the provider the amount Medicare would have paid. This is in addition to any applicable co-payment, coinsurance, deductibles and out-of-network costs for which the subscriber is normally responsible. This will increase the subscriber's out-of-pocket costs.

Those affected by this policy include members and/or their spouses who: 1) Are age 65 or older, not actively

working and eligible for, but not enrolled in Medicare Part B 2) Are age 65 or older, employed by a company with FEWER than 20 employees and eligible for, but not enrolled in Medicare Part B 3) Have End Stage Renal Disease (ESRD) and have been eligible for Medicare for 30 months and have not enrolled in Medicare Part A and/or Part B.

### ***Enrolling in a Medicare Supplemental Plan***

Please note, all IBC Medicare supplemental applications must be submitted to TAI sixty (60) days prior to the requested effective date. All additions become effective on the first of a month. To obtain an application please contact TAI at 610-604-4500.

Also, Medicare eligible subscribers enrolled as a group of one (including licensed professionals, Sole Proprietors and retirees) upon conversion to a Medicare program must enroll in a non-group product by calling the carrier at (800)626-8144. Keep in mind, enrollment paperwork must be submitted to the carrier at least 45 days in advance of your birthday month and Medicare effective date.

#### *Keystone 65 or Security 65*

In order to enroll an employee: 1) your company's premium invoices must be paid up-to-date 2) the employee must complete an enrollment form 3) a copy of their Medicare Card is required - employee must have both parts A and B of Medicare to be eligible.

Once the form is complete it must be sent to TAI.

#### *Personal Choice 65*

In order to enroll an employee: 1) the employee must complete an enrollment form 2) a copy of their Medicare Card is required - employee must have both parts A and B of Medicare to be eligible. These materials must then be sent to TAI. Once the materials are processed, the employee will be billed directly by IBC.

*For complete information regarding eligibility for Medicare products, please call TAI's Customer Service Department at 610-604-4500.*

### ***Medicare Part D***

According to Medicare guidelines each of your Medicare Part D eligible employees, retirees and dependents who are covered under, or who apply for, your prescription drug coverage must be informed if their current prescription coverage is as good as, or creditable, to the Medicare Part D.

The Center for Medicare and Medicaid Services (CMS) requires annual notices. TAI assists businesses with this requirement, by offering downloadable notices at [TheAdministratorsInc.com](http://TheAdministratorsInc.com). To download the proper notice, you will need to know the drug

coverage that you are providing to your Medicare eligible individual(s).

Please contact TAI for information regarding other required notices and deadlines.

For complete guidance visit the CMS website at [www.cms.hhs.gov/creditablecoverage](http://www.cms.hhs.gov/creditablecoverage).

***Terminating Keystone 65 or Medicare Prescription Drug Plan Coverage***

Subscribers with Keystone 65 or an IBC Medicare Prescription Drug Plan must provide written notice when they decide to terminate their Keystone 65 coverage. This notice must be received 45 days prior to the requested termination date and must include: the effective date of the termination, the subscriber's Social Security Number and signature. If dependents are insured through the policy at the time, the notice must also include the covered dependent's signature and Social Security Number.

For all other carriers, please call TAI's Customer Service Department at 610-604-4500.



**Directions to The Administrators, Inc.**

*From King of Prussia, Valley Forge, Plymouth Meeting & Points North*

Take 476 South to Exit 5 - Springfield/Lima. Go to the bottom of ramp and bear left onto Route 1 North (Media Bypass) stay in far right lane.

Follow signs for Route 320 North. Proceed to second light and make left on Route 320 North. Proceed on Route 320 North for 1.3 miles to Reed Road.

Make a right onto Reed Road and go to first traffic light. Make another right to continue on Reed Road. Go to second street on left side and make a left onto Marpit Road. Follow Marpit up to the top of hill and make a right onto Sussex Boulevard. Proceed on Sussex to Satellite 5.

*From Philadelphia, Delaware, New Jersey & Points South*

Take I-95 to 476 North to Exit 5 - Springfield/Lima. Go to the bottom of ramp and bear right on to Route 1 North (Media Bypass) stay in far right lane.

Follow signs for Route 320 North. Proceed to second light and make left on Route 320 North. Proceed on Route 320 North for 1.3 miles to Reed Road.

Make a right onto Reed Road and go to first traffic light. Make another right to continue on Reed Road. Go to second street on left side and make a left onto Marpit Road. Follow Marpit up to the top of hill and make a right onto Sussex Boulevard. Proceed on Sussex to Satellite 5.



# Want More Information?

1. Check the item(s) that you're interested in.\*
2. Fill out the information below.
3. Fax this sheet to 610-604-4547 or mail to 867 Sussex Blvd., Broomall, PA 19008.

- |   |   |
|---|---|
| <input type="checkbox"/> Accident         | <input type="checkbox"/> Dental Discounts             |
| <input type="checkbox"/> Aetna            | <input type="checkbox"/> Health America               |
| <input type="checkbox"/> AFLAC            | <input type="checkbox"/> HR Library                   |
| <input type="checkbox"/> Assurant         | <input type="checkbox"/> Life Insurance               |
| <input type="checkbox"/> Blue Cross       | <input type="checkbox"/> Long & Short Term Disability |
| <input type="checkbox"/> Cancer           | <input type="checkbox"/> Prescription                 |
| <input type="checkbox"/> Cash Supplements | <input type="checkbox"/> United Health Care           |
| <input type="checkbox"/> COBRA            | <input type="checkbox"/> Unum                         |
| <input type="checkbox"/> Dental           | <input type="checkbox"/> Workers' Comp                |

Name \_\_\_\_\_

Business Name \_\_\_\_\_

Business Address \_\_\_\_\_

Email \_\_\_\_\_



867 Sussex Boulevard, P.O. Box 800  
Broomall, PA 19008  
800-634-4428  
TheAdministratorsInc.com  
BenefitHelp@TheAdministratorsInc.com

\*Not all products are association endorsed.