Group Hospitalization and Medical Services, Inc.
doing business as
CareFirst BlueCross BlueShield (CareFirst)
A not for profit company
and
CareFirst BlueChoice, Inc.
840 First Street, NE
Washington, DC 20065
202-479-8000

Independent licensees of the Blue Cross and Blue Shield Association

GROUP CONTRACT APPLICATION
For Direct Enrollment in Qualified Health Plans offered by CareFirst BlueCross BlueShield and/or CareFirst BlueChoice on the SHOP Exchange

Direct enrollment, under guidelines established by the Maryland Health Benefits Exchange, is a program where the Group may select and purchase one or more of the following Qualified Health Plans offered by CareFirst BlueCross BlueShield and/or CareFirst BlueChoice (collectively, "CareFirst/CareFirst BlueChoice"):

HMO Products Offered by CareFirst BlueChoice	**PPO Products Offered by CareFirst BlueCross BlueShield**
☐ BlueChoice HMO $1,000 (GOLD) ☐ BlueChoice HMO HSA/HRA $2,000 (SILVER) ☐ BlueChoice HMO Referral HSA/HRA $4,000 (BRONZE)	☐ BluePreferred PPO 100%/80% (PLATINUM) ☐ BlueCross BlueShield Preferred $1,000, a Multi-State Plan (GOLD) ☐ BlueCross BlueShield Preferred $2,000, a Multi-State Plan (SILVER) ☐ BluePreferred PPO HSA/HRA $4,000 (BRONZE)
Point-of-Service Product Offered Jointly by CareFirst BlueChoice and CareFirst BlueCross BlueShield	
☐ BlueChoice Advantage 90%/70% (PLATINUM)	

A new Group is required to complete this Application in its entirety, in black ink, and sign, date and return it to the Group's Sales Representative. If this Application is being completed for an existing Group amending the Group's current coverage or changing general information, the Group is required to complete, in black ink, *only* the sections in which the information is changing, sign and return this Application to the Group's Sales Representative.

Do not alter this document except to fill in the blanks and check the boxes provided. This Application will not be accepted if any other changes are made.

GENERAL INFORMATION

Name of Group: _____

Physical Location:
Street Address: _____

City: _____ State: _____ Zip: _____

Mailing Address (if other than above):

Street Address: _____

City: _____ State: _____ Zip: _____

Billing Address (if other than above):

Street Address: _____

City: _____ State: _____ Zip: _____

Group Administrator (Person to Contact):

Name: _____ Telephone Number: _____

Title: _____

Email Address: _____

Chief Executive Officer/President

Name: _____ Telephone Number: _____

Title: _____

Email Address: _____

Type of Organization ☐ Sole Proprietorship ☐ Partnership
☐ Corporation ☐ Other _____

Total Number of Full-Time Employees and Full-Time Equivalent Employees: _____

Federal Tax Identification Number: _____

CareFirst/CareFirst BlueChoice Group Number (if available): _____

DEFINITIONS

The terms below, when capitalized in this Application, are defined as follows:

Benefit Materials means (i) any enrollment or other coverage information, identification cards, or other materials provided by CareFirst to the Group for delivery to Qualified Employees, (ii) the Evidence of Coverage for a Qualified Health Plan, and (iii) any benefit summaries or other notices or materials relating to the Evidence of Coverage required by federal or state law or regulation to be provided by the Group or CareFirst/CareFirst BlueChoice to Qualified Employees.

Full-Time Employee means an employee of the Group who works, on average, at least 30 hours per week.

Full-Time Equivalent Employees means, solely for the purpose of determining group size, the combination of employees, each of whom individually is not treated as a Full-Time Employee because he or she is not employed on average at least 30 hours of service per week, who, in combination, are counted as the equivalent of a Full-Time Employee. The method for determining the Group's number of Full-Time Equivalent Employees is explained in the Group Eligibility Requirements below.

Group Contract means the agreement between the Group and CareFirst BlueCross BlueShield and/or CareFirst BlueChoice pursuant to which the HMO product, the PPO product and/or the Point-of-Service product is issued to the Group.

HMO product means a Qualified Health Plan with benefits provided only by CareFirst BlueChoice.

Part-Time Employee means an employee of the Group who (1) has a normal workweek of at least 17.5 hours; and (2) is not a Full-Time Employee.

Point-of-Service product means a jointly offered Qualified Health Plan with in-network benefits provided under separate contract by CareFirst BlueChoice and out-of-network benefits provided under separate contract by CareFirst BlueCross BlueShield. With a Point-of-Service product, the Member may choose each time that services are sought to qualify for HMO benefits under the in-network plan or to receive traditional indemnity benefits under the out-of-network plan.

PPO product means a Qualified Health Plan with benefits provided only by CareFirst BlueCross BlueShield.

Qualified Employee means (1) a Full-Time Employee of the Group; (2) a Part-Time Employee who has been offered health insurance coverage by the Group; and; (3) an owner/business partner or former employee who has retired in accordance with the provisions of the Group's retirement program, as amended from time to time, who has been offered health insurance coverage by the Group. The Group offers coverage to these individuals by providing them with an Enrollment Form

Qualified Health Plan means an HMO product, a PPO product or a Point-of-Service product offered by CareFirst BlueCross BlueShield and/or CareFirst BlueChoice that has been certified by the SHOP Exchange as having met the standards established by the U.S. Department of Health and Human Services.

SHOP Exchange means the Maryland Health Benefits Exchange.

GROUP ELIGIBILITY REQUIREMENTS

To be eligible for coverage and maintain its eligibility, the Group must meet all requirements for a Small Employer as provided in Section 31-101(z) of the Maryland Insurance Code:

"Small Employer" means an employer that, during the preceding calendar year, employed an average of not more than:

A. Fifty (50) employees if the preceding calendar year ended on or before January 1, 2016; and

B. One-hundred (100) employees if the preceding calendar year ended after January 1, 2016.

For purposes of this definition:

A. All persons treated as a single employer under § 414(b), (c), (m), or (o) of the Internal Revenue Code shall be treated as a single employer;

B. An employer and any predecessor employer shall be treated as a single employer;

C. The number of employees of an employer shall be determined by adding:

1. The number of Full-Time Employees; and

2. The number of Full-Time Equivalent Employees, which shall be calculated for a particular month by dividing the aggregate number of hours of service of employees who are not Full-Time Employees for the month by 120.

D. If an employer was not in existence throughout the preceding calendar year, the determination of whether the employer is a Small Employer shall be based on the average number of employees that the employer is reasonably expected to employ on business days in the current calendar year.

E. An employer that makes enrollment in qualified health plans available to its employees through the Maryland Health Benefits Exchange (the "SHOP Exchange"), and would cease to be a Small Employer by reason of an increase in the number of its employees, shall continue to be treated as a Small Employer for as long as it continuously makes enrollment through the SHOP Exchange available to its employees.

Except as provided above, if the Group's actual enrollment varies such that the Group is not eligible for coverage as a Small Employer; the Group will be required to apply for other coverage by completing a new application and will be charged different premium rates. The Group's Sales Representative or broker can help obtain additional detailed information about Maryland law requirements as it relates to Small Employers.

GROUP MINIMUM ENROLLMENT REQUIREMENT

CareFirst/CareFirst BlueChoice reserves the right to refuse to renew any Qualified Health Plan issued to the Group, if the Group does not meet the following requirements:

The Group must, at the time of renewal, demonstrate enrollment of at least 75% of all Qualified Employees. To determine enrollment, the Plan considers all Qualified Employees, except those who:

1. Are Qualified Employees who have group spousal coverage under a public or private plan of health insurance or another employer's health benefit arrangement, including Medicare, Medicaid, and CHAMPUS, that provides benefits similar to or exceeding the benefits provided under the Group Contract;

2. Are Qualified Employees who are under the age of 26 years who are covered under their parent's health benefit plan;

3. For HMO products only, are Qualified Employees who neither live nor work in the CareFirst BlueChoice Service Area.

4. Are Qualified Employees who are former employees (such as retirees), whether or not they have enrolled in the Group's Qualified Health Plan(s).

If the Group offers another health benefits program through CareFirst/CareFirst BlueChoice and/or through another CareFirst/CareFirst BlueChoice affiliated or related entity, the total Group enrollment in all such plans will be combined to determine enrollment.

CareFirst/CareFirst BlueChoice may not enforce this minimum enrollment requirement at renewal for a Group who submits this Application during the SHOP Exchange's annual open enrollment period between November 15th and December 15th of any calendar year.

In all cases, at least one currently employed Full-Time Employee, or a combination of currently employed Qualified Employees that constitute one Full-Time Equivalent Employee, must be enrolled under a Qualified Health Plan issued to the Group. Groups that do not meet this requirement can contact a CareFirst/CareFirst BlueChoice Sales Representative or the SHOP Exchange to arrange for individual direct pay coverage.

EMPLOYEE ELIGIBILITY

Qualified Employees, who are Full-Time Employees, and their dependents, are eligible for coverage as long as they meet the eligibility requirements stated in the Evidence of Coverage.

Qualified Employees who are (i) Part-Time Employees; (ii) owners/business partners; or (iii) former employees who have retired in accordance with the provisions of the Group's retirement program, as amended from time to time, and their dependents, are eligible to enroll if they are offered coverage by the Group and as long as they meet the eligibility requirements stated in the Evidence of Coverage. The Group offers coverage by providing them with an Enrollment Form

GROUP'S RESPONSIBILITY TO EMPLOYEES

In any case in which the employee is responsible for a portion of the monthly premiums, the Group must:

1. Advise the Qualified Employee of his/her eligibility for coverage under the Group Contract;

2. Advise the Qualified Employee when he or she may enroll for such coverage in accordance with the provisions stated in this Application and the Group Contract including the Evidence of Coverage;

3. Advise the Qualified Employee when coverage will commence based on the date of completion of the Enrollment Form;

4. Advise the Qualified Employee of his or her share the cost of such coverage and the method in which payment is to be made; and

5. Obtain from the Qualified Employee a completed Enrollment Form and a signed agreement by the Qualified Employee to pay his or her applicable portion of the monthly rates. It is the obligation of the Group to deliver promptly all completed Enrollment Forms to CareFirst/CareFirst BlueChoice.

PAYMENT OF PREMIUMS

Until otherwise directed by the SHOP Exchange, the Group agrees to make all premium payments due under the terms of the Group Contract(s) directly to CareFirst/CareFirst BlueChoice. The SHOP Exchange and CareFirst/CareFirst BlueChoice each reserve the right to terminate the Group Contract(s) for failure to pay premiums when due after the applicable grace period.

GROUP STATEMENTS

The Group agrees that, in submitting this Application, it is acting for and on behalf of itself and as the agent and representative of its employees and COBRA participants, if applicable. The Group is not the agent or representative of CareFirst/CareFirst BlueChoice for any purpose of this Application or any Group agreement issued pursuant to this Application.

The Group agrees to receive on behalf of its Qualified Employees and their dependents and COBRA participants, if applicable, the Benefit Materials furnished by CareFirst/CareFirst BlueChoice and to deliver such materials to these individuals.

The Group agrees that it has provided CareFirst/CareFirst BlueChoice with information regarding the eligibility of Qualified Employees (and their dependents) that is accurate and consistent with the requirements and provisions of the Patient Protection and Affordable Care Act of 2010 (the "Affordable Care Act") and applicable state law.

The Group consents and agrees, on its own behalf and on behalf of its Qualified Employees, that CareFirst/CareFirst BlueChoice is authorized and permitted to provide information relating to the Group and its enrolled Qualified Employees and any dependents to the Maryland Health Benefit Exchange. This information includes, but is not limited to, information relating to (1) the Group (including information relating to the Group included on this Application); (2) any Qualified Health Plans purchased by the Group, and (3) the Group's Qualified Employees (including information relating to any Qualified Employee and his or her dependents provided on any Enrollment Form).

This Group Contract Application is part of the applicable Group Contract(s) between the Group and CareFirst BlueCross BlueShield and/or CareFirst BlueChoice.

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

If you have any questions concerning the benefits and services that are provided by or excluded under the coverage for which the Group is applying, please contact a Sales Representative before signing this Application.

ACCEPTED FOR:

_____

(Name of Group)

BY: _____

(Printed Name of Authorized Officer)

_____

(Signature of Authorized Officer)

Title: _____ Date: _____

Broker (if applicable)

_____

(Printed Name of Broker)

_____

(Signature of Broker)

Email Address: _____

Broker ID#: _____ Date: _____

Effective Date of Group Contract: _____