



Group Quoting and Participation Requirements

This job aid outlines the group quoting and participation requirements for small and large group.

Rating Structures

Blue Cross® Blue Shield® of Michigan		Blue Care Network
50 or fewer full-time equivalent (FTE) employees Rates based on area and rating quarter	Small group member level rating	50 or fewer full-time equivalent (FTE) employees Rates based on area and rating quarter
51 + FTE employees up to 49 enrolled for community rated: MA responsible 50+ ERS: Carrier internally handles Rates based on area, industry, age, contract type, and rating quarter	Large group Community Rated composite rating	51 + FTE employees up to 49 enrolled for community rated: MA responsible 50+ ERS: Carrier internally handles Rates based on area, industry, age, contract type, and rating quarter

Note: COBRA and Retirees do not count towards a group’s total number of eligible employees

Industry Codes (Standard Industrial Code – SIC)

Large group rating only

- Small group rating is not impacted by the industry code
- Industry codes are broken into 9 different rating pools for Blue Cross and 7 for BCN
- Large group Community groups with multiple SIC codes (in different classes) will be rated based upon the primary SIC code
- Dunn and Bradstreet is used to locate the industry/SIC code of a specific group

Area Factors

Small Group:

- Rated based on the headquarter location of the group only
- For Small Groups, there are 16 geographical areas (“A” through “P”)
 - Geographical areas are based on work location(s)

Large Group:

- Each physical location will have its own suffix, for quoting purposes unless multiple locations are within the same rating area
 - There are 17 geographical areas (“A” through “P” and “X” for out-of-state)
 - New Business is rated based on employee working locations
 - Existing Business is rated based on employee residence



Group Quoting and Participation Requirements (continued)

Participation Requirements and Factors

Small Group: Blue Cross & BCN	
Group Size	Participation Requirements
1-10 FTE	100%
11-25 FTE	75%
26-50 FTE	50%

Blue Cross and BCN may deny coverage to new groups, as permitted under federal rules, and may refuse to renew coverage for existing small groups that do not meet the applicable participation requirement.

Large Group: Community Rated and/or Experience Rated Blue Cross	
Participating Rating Factors	
<50%	1.15
50-74%	1.1
75-100%	1.0

Participation is established by total number of full-time eligible employees and waiver reasons. A member waiving due to approved outside coverage (e.g.: spousal or parental coverage) does not count against participation. Those waiving due to coverage on an individual plan, Medicare plan or due to cost would count against the group participation.

Notes

- New business participating rating factors apply to large groups with 1-99 combined Blue Cross and BCN enrolled contracts
- Existing business requesting opposite carrier quotes will have RRL's provided by underwriting



Group Quoting and Participation Requirements (continued)

Group Size	Time Frame	Implementation
Small Group New Business	The 8 th of the month prior to the effective date	<ul style="list-style-type: none"> • Standard New Business Paperwork Including: • Parts A, B, and C of the Agreements signed by group decision maker and agent • Pre-printed proof FEIN • Copy of Sold Quote • Copy of Premium Check • Copy of QWDR • Enrollment or Enrollment Spreadsheets
Small Group New Business <ul style="list-style-type: none"> • BCN HRA Initial set-up • Healthy Blue Living set-up • Healthy Blue Achieve set-up 	45 days	<ul style="list-style-type: none"> • All standard New Business Paperwork • BCN ASC Agreement and BCN HRA Addendum, if applicable • Enrollment or Enrollment Spreadsheets • Pre-printed proof of FEIN
Small Group New Business <ul style="list-style-type: none"> • Small Group Defined Contribution (SGDC) 	21-45 days	Work with the New Business Team for implementation
Large Group New Business	21 days	<ul style="list-style-type: none"> • All standard New Business Paperwork • PHI Authorization Letter • Plan Sponsor Certification • Enrollment • Enrollment spreadsheets • Pre-printed proof of Fein
ASC 25-49 New Business	45 days	<ul style="list-style-type: none"> • All standard New Business Paperwork • ASC Agreement
HealthEquity® Groups HSA Bank	45 days	<ul style="list-style-type: none"> • All standard New Business Paperwork • Notice of New CDH Business form

Please note: We make every effort to ensure that we fulfill your request accurately. For each benefit change and new business case, you will receive a copy of the benefits and rates before we submit to the carrier. We encourage you to thoroughly review the information in the rate confirmation email and alert us to any changes as soon as possible. In some cases, we cannot submit your new business or group wide change request until we receive rate confirmation from your office.