P Urpose
The purpose for implementing underwriting guidelines is to:

- Protect Midwest Public Risk Members from adverse selection
- Clarify general rules
- Provide eligibility rules for prospective Members
- Provide guidelines for options Members may provide, e.g. cash back, waiving coverage, employee contributions, etc.

R ates
Rates may vary when new members join. Each new member will be underwritten and rated on their own individual experience. At MPR’s option, employee health statements may be required. Tier pricing may be applicable to renewals.

Midwest Public Risk shall retain the right to individually underwrite any member who has submitted their notice of withdrawal, who later determines to remain with Midwest Public Risk, based on their own individual utilization, experience and/or loss history. Any surcharge is to be reviewed after two years.

Each Midwest Public Risk employee benefit health plan (Open Access, Choice Fund, HMO, Teachers First Choice, Dental, Vision) is rated independently. MPR reserves the right to limit the number of plans offered by each member group.

P lan P articipation
No other group medical plan may be offered to Member employees other than Midwest Public Risk. The employer must contribute at least 50% of the employee only coverage toward the premium cost for each plan offered to eligible active full-time and part-time employees. In addition, 75% of the total eligible employees must enroll in a Midwest Public Risk health plan. If at any time during a plan year, the Member entity fails to meet this standard, Midwest Public Risk may terminate coverage with 90 days notice.

Only prospective Members with 20 or more eligible full-time employees will be considered for membership. All benefits-eligible employees who decline/waive coverage will count toward the minimum participation requirement of 75% of total benefit eligible full-time employees. At Midwest Public Risk’s option, employee health statements may be required.

W ithdrawal
Members must give 90 days prior notice by formal board resolution on or before April 1st and withdraw on July 1st. MPR will continue to process and pay claims incurred by June 30th for 90 days following termination. Claims received but not processed and paid by September 30th will be the responsibility of the withdrawing Member. MPR will charge an administrative fee per employee per
month for the three month period to process run-out claims. Claims costs will be paid by MPR. Members that withdraw will be unable to re-join MPR for 24 months.

**EMPLOYEE CONTRIBUTIONS/OPT OUTS**
Employees may decline to enroll in the health plan if they show written proof of other comparable group or marketplace (exchange) coverage (not individual). The Member will retain a copy of the documentation. Employees who decline medical coverage must complete a Midwest Public Risk enrollment/change form.

Members may offer employees cash back if the employee provides proof of other group (not individual) medical coverage, as long as the maximum amount is under $3500/year.

**ELIGIBILITY**
Midwest Public Risk has adopted general eligibility rules for coverage. Specific details as to who qualifies, contribution levels, etc. are determined by each individual employer within Midwest Public Risk guidelines and as defined in the plan documents. Wage and Tax Reports or other similar payroll documentation may be required at any time by MPR to confirm eligibility.

Midwest Public Risk’s general eligibility guidelines include but are not limited to:

A. Who is eligible:
   - Active Full Time Employees as determined by Member; must average 30 hours or more per week
   - Covered employees on Military leave for 90 days or less (including dependents)
   - Part Time employees as determined by Member provided employee works at least 1,040 hours for the Member and Member pays at least 50% of the employee only cost.
   - Legally Married Spouses
   - Dependent Children of the employee or employee’s spouse under age 26
   - Legally adopted children of employee or employee’s spouse under age 26
   - Children for whom the employee or employee’s spouse was awarded legal guardianship
   - Disabled children age 26 and over (doctor’s authorization required)
   - Child for whom the employee has legal responsibility to provide healthcare pursuant to a Qualified Medical Child Support Order
   - Employee, Spouse and Dependents can only be covered under one MPR plan. If both parents are employees, the dependent child can only be covered under one parent, not both.
   - Elected Board/Council Member – 100% participation required; waivers for other group or marketplace exchange coverage including Medicare are permitted
   - Retirees who are not Medicare eligible (must have 10 years of continuous Full time service with Midwest Public Risk Member and be actively working at time of retirement)
   - Qualified COBRA beneficiaries
   - Common law spouses (Kansas residents only; state documentation required)
   - For Teacher’s First Choice Members Only: Part-time employee hourly requirement is equal to an average of 20 hours per week. For school districts only, Midwest Public Risk will pro-rate the 1,040 hours to a 9-month schedule for a minimum of 780 hours.
• Retirees who have continuous coverage can rejoin the plan as an active employee if they meet benefit eligibility requirements. Upon subsequent retirement, if not Medicare eligible, they can return to Retiree coverage.

B. Who is not eligible:
• Covered employees on Military leave for more than 90 days (including dependents); USERRA rules apply
• Grandchildren for whom legal guardianship has not been established
• Children for whom the employee has not been awarded legal guardianship or custody
• Foster Children
• Parents or grandparents
• Ex-spouses once a final decree has been issued or legal separation has been obtained
• Common law spouses (Missouri residents)
• Same sex partners
• Employees on disability, leave of absence or temporary layoff after 90 days of inactive status, or the end of the period in which the person was entitled to regular pay as an Actively at Work employee through personal paid time off, sick leave, vacation time or other defined salary compensation of the individual Member Group

ENROLLMENT
New employees must enroll for coverage to begin at the first of the month following employment or after satisfying the minimum waiting period established by the Member. PPACA guidelines for waiting periods not to exceed 90 days apply. Coverage terminates on the last day of the month, except for death of the employee.

All Members must establish an annual open enrollment period of at least one week duration prior to June 1st. Changes submitted during this period are effective on July 1.

Exceptions may be requested; however, they will be considered based on unusual circumstances (such as a new Member joining Midwest Public Risk midyear) and must not represent an underwriting risk to Midwest Public Risk. A midyear change in employee contributions will not cause Midwest Public Risk to approve an additional “open enrollment” period.

During open enrollment, employees may switch health plans or add/drop dependents.

• Employees/dependents who do not enroll during the open enrollment period may not enroll until the following year’s open enrollment unless a qualifying change in life status occurs. Upon such qualifying change, the enrollment form or change form must be submitted by the employee to the Member within 31 days of the life status change. Obtaining individual coverage does not qualify as a change in life status to terminate coverage during the year.
• Loss of other health coverage due to loss of job-based spousal coverage, divorce, COBRA expiration, aging off a parent’s plan, loss of eligibility for Medicaid or CHIP and similar circumstances is a qualifying event for enrolling in the MPR plans. Voluntarily ending other coverage or non-payment of premium does not qualify for a special enrollment period.

Underwriting Guidelines_07012015
• Member is required to collect and submit to MPR written proof of life status change or loss of other coverage.

Newly married spouses will be eligible the first of the month following the date of marriage if the enrollment/change form is submitted to the employer within 31 days of the date of marriage. Proof of marriage will be required to add a spouse at all times. Examples of accepted documentation include marriage certificate, KS Common Law for Rev 01-03 and most recent tax return.

The Member must validate eligibility for spouses, common law spouses, and dependent children by reviewing verifiable documents and maintain copies for audit purposes. Random audits may be performed.

Employees or Dependents who enroll after the 31-day deadline will not be covered until the next open enrollment period (July 1).

Employees may drop dependents during the year only when the following conditions are met:
• Dependent no longer meets eligibility definition
• Dependent has acquired other group or marketplace exchange coverage (acquiring an individual health plan does not meet this requirement)
• Other change in life status as defined by Section 125 plan
• Change must be made within 31 days
• Member group’s Section 125 plan, if any, must be amended to allow for mid-year changes. Copy of amendment is required.
• Written proof of other valid coverage is required.

Otherwise, change must be made at open enrollment.

DENTAL
• Cash back may not be offered to employees who decline only dental coverage.
• Open enrollment rules apply for dental plans.
• The employer must contribute at least 50% of the employee only coverage toward the premium cost for the plan offered to eligible active and part-time employees.
• Member can only offer one Dental plan to its employees.

VISION
• Open enrollment rules apply for vision plans.
• The employer must contribute at least 50% of the employee only coverage toward the premium cost for the plan offered to eligible active and part-time employees.
• Member can only offer one Vision plan to its employees.

UNDERWRITING ASSUMPTIONS
• Refer to the “Midwest Public Risk By-laws” regarding Member rights and responsibilities.
• Membership is subject to approval by the Board of Directors.
• The contract period is July 1 through June 30.

Underwriting Guidelines_07012015
• Payment is due on the first of the month. All payments received after the 30th may be charged interest.
• Non-payment of premium can result in claims being held or denied. The Member may be responsible for the cost of health care provided for any month with lapsed coverage.
• MPR will make a refund adjustment not exceeding 60 days when a Member has made contribution errors. This provision shall not apply if claims have been made that exceed the adjustment level.
• Members are required to administer COBRA according to state and federal regulations for any coverage not provided by Midwest Public Risk. The Member is responsible for any penalties relating to non-compliance. Only individuals meeting the eligibility requirements specified by the Member may be covered. Former employees may not be offered coverage beyond the Member’s policies relating to COBRA and retirees.
• Former spouses are always ineligible, regardless of court orders, except for their rights under COBRA.
• Missouri and Kansas law now recognize same sex marriage. Neither recognizes same sex partners and Missouri law does not recognize common law marriage. Hence no health benefits are offered for these individuals. Kansas law does recognize common law marriage and Midwest Public Risk will offer dependent health benefits provided that the individuals have filed the State of KS, Dept of Social & Rehabilitation Service Form 01-03, “Statement of Common-Law Marriage”.
• Midwest Public Risk will report claims experience to the entire Membership at the pool level, not the Member level. Midwest Public Risk will release limited data related to wellness programming in compliance with HIPAA.