

Brief Notes

News for
Brokers and Consultants

March 18, 2010 Vol. 19 No. 691

3 Penn Plaza East, Newark, NJ 07105-2200

Applies to: Small employer market (two to 50 employees)

Important Change to Commission Policy

Based on broker feedback, we are adjusting the effective date for the Commission Policy Change previously outlined in *Brief Notes*, Vol. 19, No. 688, released on March 1, 2010.

As announced, Horizon Blue Cross Blue Shield of New Jersey will only pay commissions if 75 percent of the total enrollment chooses Horizon BCBSNJ as their small employer health plan, when multiple carriers are offered to employees within the same group. To allow your agency more time to administer this change, Horizon BCBSNJ will now apply this policy for new business or renewals with effective dates on or after **April 1, 2010**. Please note that the *Export Participation List* must be submitted to Horizon BCBSNJ by the last business day of the renewal month.

Broker Online Services has implemented enhancements to administer this policy change.

Changes to ESAT

Beginning February 27, 2010, ESAT allows you to submit your *Small Group Participation List* for existing business. Participation will be determined upon your clients' renewal anniversary date.

To complete the *Small Group Participation List*, please follow these instructions:

- Sign on to ESAT.
- From the *Renewals* tab, select the month of the renewal and click *Submit Participation List*. A new page will display listing all your groups for that month.
- Complete the following required fields:
 - Number of subscribers with Horizon BCBSNJ.
 - Number with Other Carriers.

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www.HorizonBlue.com/Informed



Horizon Blue Cross Blue Shield of New Jersey

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- Complete the following fields, if available:
 - Number of Valid Waivers;
 - Number of Refusals; and
 - Number on COBRA.

Please note, Horizon BCBSNJ will simplify the *Small Group Participation List* and the fields on ESAT in the near future to only display the required fields.

The system will automatically total the number of eligible employees and the percent of employees enrolled with Horizon BCBSNJ.

- Click *Save*.
- Once you have completed the entire list, click *Export Participation List* to view your results. Your saved results will automatically report to Horizon BCBSNJ's Broker Commissions Department for processing.

Please see complete details of this change in *Brief Notes*, Vol. 19, No. 688. In addition, the *attached* FAQ document will address your concerns.

If you have additional questions, please contact your Horizon BCBSNJ sales representative. You can reach the e-Business Help Desk for technical support, Monday through Friday, from 7 a.m. to 6 p.m., Eastern Time, at **1-888-777-5075** or via e-mail at brokersupport@HorizonBlue.com.



Horizon Blue Cross Blue Shield of New Jersey

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Broker Commission Policy Change Q & As for brokers

Q1. What is the new broker commission policy change?

A1. Horizon Blue Cross Blue Shield of New Jersey will only pay commissions if 75 percent of the total enrollment chooses Horizon BCBSNJ as their small employer health plan, when multiple carriers are offered to employees within the same group for new business or renewals with effective dates on or after April 1, 2010.

Q2. When is this new broker commission policy effective?

A2. This policy applies to new sales and renewals with effective dates on or after April 1, 2010.

Q3. How do I submit the *Small Group Participation List* for new sales?

A3. New sales should be submitted via Internet Group Enrollment (IGE), which has been enhanced to capture additional fields on the “Employer Detail” page to determine if the group is eligible for commission.

Q4. Are new sales effective on or after April 1, 2010, that were submitted prior to the IGE system changes that went into effect on February 27, 2010, impacted by this change?

A4. New sales effective on or after April 1, 2010, that were submitted prior to the system changes on February 27, 2010, will be grandfathered under the old policy and will be eligible for commission until the group’s renewal date.

Q5. How will I know if my new group is eligible for commission?

A5. Your monthly commission statement will illustrate which groups received commission and which groups received zero commission.

Q6. How can I tell in advance of the Broker Commission Statement if my new sale is eligible for commission?

A6. To determine if a new group is eligible for commission, please use the following calculation:

$$(\# \text{ of Eligible Employees}) - (\# \text{ of COBRA Employees Insured}) - (\# \text{ valid waivers}) - (\# \text{ of refusals}) = (\# \text{ Enrolled Population})$$

$$(\# \text{ Enrolled with Horizon}) \div (\# \text{ of Enrolled Population}) = (\text{Percent Enrolled with Horizon BCBSNJ})$$

If the *Percent Enrolled* with Horizon BCBSNJ is equal to or greater than 75 percent, commission will be paid.

If the *Percent Enrolled* with Horizon BCBSNJ is less than 75 percent, commission will not be paid for the sale.

Q7. How do I submit the *Small Group Participation List* for existing business?

A7. Sign on to ESAT. From the home page, go to *Application Manuals* and click on *Small Group Participation List* to review the User Guide for step-by-step instructions.

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- Q8. Do I still need to complete the *Small Group Participation List* in ESAT for groups that are renewing in their existing products?**
- A8. Yes, the *Small Group Participation List* must be completed for all renewals regardless if they are renewing “as is” or converting to a new product.
- Q9. When do I have to submit the *Small Group Participation List*?**
- A9. Master Brokers must complete the *Small Group Participation List* in ESAT no later than the last business day of the renewal month (i.e., April renewals must be completed by April 30, 2010).
- Q10. Who is responsible for ensuring the *Small Group Participation List* has been completed by the end of the renewal month?**
- A10. The Master Broker is responsible for ensuring the entire *Small Group Participation List* has been completed by the last business day of the renewal month.
- Q11. What happens if I do not complete the *Small Group Participation List* by the last business day of the renewal month?**
- A11. Commission for any incomplete group record will be set to zero and will not be reviewed again for one year.
- Q12. I do not see a *Submit* button in ESAT to send the *Small Group Participation List* to Horizon BCBSNJ. How will Horizon BCBSNJ know when I have completed my list?**
- A12. When you enter the data in the *Small Group Participation List* in ESAT and hit *Save*, the data will automatically be submitted to Horizon BCBSNJ on the first business day of the month following the renewal month (i.e., April renewals will be pulled on May 3, 2010).
- Q13. What proof do I have that I submitted the *Small Group Participation List* in ESAT on time?**
- A13. After you save your data in ESAT, click the *Export Participation List* button to export your list to Excel and save a copy for your records.
- Q14. Do I have to complete the *Small Group Participation List* for every subgroup?**
- A14. No, the list should be completed at the Main Group level.
- Q15. Can I edit any of the fields after they have been entered?**
- A15. Yes, but only changes entered before the last business day of the renewal month will be captured on the report to Horizon BCBSNJ.
- Q16. Is there a way to sort the *Small Group Participation List* in ESAT?**
- A16. Yes, click on any column header to sort the list by Group Number, Group Name, Effective Date or Owner (assigned agent).
- Q17. What is the purpose of the hard copy *Small Group Participation List*?**
- A17. This form can be used by Master Brokers to collect the data from their individual brokers and subproducers for their existing groups that need to be completed in ESAT. It can also be used for anniversary Broker of Record (BOR) changes or for groups that are not submitted electronically. *Click here* for a copy of the *Small Group Participation List*.
- Q18. How do I submit the *Small Group Participation List* for groups with a BOR change?**
- A18. Submit the hard copy *Small Group Participation List* along with your BOR letter to Horizon BCBSNJ’s Broker Commission Department for all BOR changes that are effective on the group’s anniversary date.

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- Q19. Do I need to submit the *Small Group Participation List* for “Off-Anniversary” BOR changes?**
- A19. No, “Off-Anniversary” BOR changes do not require the form. The commission will be determined on the group’s anniversary date.
- Q20. If I am taking over as BOR “Off-Anniversary,” how can I determine if I will be paid commission prior to receiving my commission statement?**
- A20. Please contact your Broker Commission representative.
- Q21. If I am taking over as BOR “Off-Anniversary,” and the group previously did not meet the 75 percent participation rule but now does, will I be paid commission?**
- A21. No, the group will not be reviewed for commission eligibility until the group’s anniversary date. Upon anniversary, if the group has 75 percent participation, then you will receive commission from that date forward, until the following anniversary.
- Q22. If a group is insured with more than one carrier, where can I get the number of employees enrolled with the other carrier(s)?**
- A22. The numbers can be pulled off the premium invoice or commission statement received from the other company(ies).
- Q23. How often is the *Small Group Participation List* reviewed for commission eligibility?**
- A23. Group participation will be reviewed annually on the group’s renewal date and/or upon receipt of the *Small Group Participation List*.
- Q24. What happens if an audit of the *Small Group Participation List* determines the group has less than 75 percent of eligible employees enrolled with Horizon BCBSNJ, when the *Small Group Participation List* shows 75 percent or more?**
- A24. Commission for the group will be set to zero and any overpayment will be recouped.
- Q25. If the Group Participation percentage changes during the year, from below 75 percent to above 75 percent or vice versa, due to enrollment changes, will my commission status change?**
- A25. No, commission status will only be reviewed annually on the group’s renewal date.
- Q26. If a subscriber is waiving because he/she has spousal coverage through another carrier, do I list him/her as a waiver or as insured with other carrier?**
- A26. Spousal waivers should be counted as a waiver, not as covered with other carrier. Do not count an employee more than once.
- Q27. Are COBRA-insured employees included in the calculation to determine participation for commissions?**
- A27. COBRA-insured employees are not counted in the enrolled population. They are subtracted from the number of eligible employees.
- Q28. Are employees enrolled in their spouses’ health benefits plan; Medicare, Medicaid or NJ FamilyCare; or employees refusing coverage included in the calculation?**
- A28. Valid waivers and refusals are not counted as part of the enrolled population.

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Q29. Are dependent to age 31 members included in the calculation?

A29. No, dependent to age 31 members are not considered employees of the group, so they are not included in the enrolled population for the main group.

Q30. Can subproducers complete the *Small Group Participation List* in ESAT for their assigned groups?

A30. No, only the Master Broker or head agent can view and complete the *Small Group Participation List* in ESAT.

Q31. What should I do if I do not have the necessary information on my subproducer's groups to complete the *Small Group Participation List* in ESAT?

A31. Send the hard copy *Small Group Participation List* to your subproducer to collect the necessary data you will need to enter in ESAT.

Q32. Does this policy apply to Non-Reform groups?

A32. No.

Q33. Does the policy apply to small group Medicare Advantage enrollees?

A33. No.

Q34. What should I do if a group is missing from my *Small Group Participation List*?

A34. If the group is not "Non-Reform" or "Medicare Advantage," then submit the hard copy *Small Group Participation List* to your Horizon BCBSNJ Account Consultant.

Q35. Where can I obtain the *Small Group Participation List*?

A35. You can download this form on <www.HorizonBlue.com> under *Downloadable Forms* on the *Brokers* tab. Or, you can *click here* for a copy.

Q36. Who can I contact if I have additional questions regarding this policy?

A36. Contact your Horizon BCBSNJ Sales Representative.

Q37. Who can I contact if I have questions regarding IGE or ESAT?

A37. The eBusiness Helpdesk is available to provide assistance from 7 a.m. to 6 p.m. Eastern Time, Monday through Friday, at our toll-free number, 1-888-777-5075, or via e-mail at <brokersupport@HorizonBlue.com>. Please include your contact information and a brief description of the problem, along with any screen shots of the error, in your e-mail.



Small Group Participation List

(To be completed by Broker of Record)

Horizon Blue Cross Blue Shield of New Jersey

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Please print or type:

Date: _____ Agency Name: _____ Fax Number: _____

Broker ID#: _____ Broker Name: _____

Please list the groups below and indicate the number of eligible subscribers, number enrolled with Horizon Blue Cross Blue Shield of New Jersey, number enrolled with other carriers offered by the employer group, number of valid waivers (including spousal waivers, Medicare, Medicaid, NJ FamilyCare), number of refusals and number of COBRA employees. Please note: COBRA subscribers are excluded from the number of eligible subscribers.

Sign, date and fax the form to your Master Broker at least five business days prior to the last business day of the renewal month. Your Master Broker will submit this information to Horizon BCBSNJ, on your behalf, by the last business day of the renewal month. If Horizon BCBSNJ does not receive this information by the date indicated on Renewal or if dual carriers are offered and Horizon BCBSNJ does not have 75 percent of the enrolled employees, the commission will be set to zero.

Main Group Number*	Group Name*	Renewal Date*	Total # eligible	# Enrolled w/ Horizon BCBSNJ*	# Enrolled w/ other carriers*	# Valid waivers	# Refusals	# COBRA

* Required Fields

Broker Signature

Date