

eBulletin

Special Notice

June 22, 2015

Changes Impacting New Jersey Employers with 51-100 Employees Effective January 1, 2016

Effective January 1, 2016, the definition of a small group under the Affordable Care Act (ACA) will change to include employers with up to 100 employees. This change is applicable to non-grandfathered groups across all carriers and impacts both our UnitedHealthcare and Oxford platforms. If you have a fully insured group client impacted by this definition change, they will need to take action. Our goal is to keep you informed of changes as soon as information becomes available so that you can guide your clients to make the most appropriate decisions about their health plans.

Renewal coverage options for New Jersey employers with 51-100 employees:

1. Keep current plan through our Transitional Policy Program

- In New Jersey, employers with 51-100 employees will be allowed to keep their current plan, in some instances, until October 1, 2017 through our Transitional Policy Program. This policy is structured to maximize your client's choices and offer rate stability for an extended period of time; however, it requires your client to take action in 2015.
- After January 1, 2016, employers who have chosen a transitional relief option will only be permitted to make plan changes within the same product (i.e., your clients can move to different plans with the same product but not move to a different product). Any other change after this effective date would require a new policy consistent with the new small group definition.

Additionally, if you have a New Jersey small group client with 1 to 50 employees currently enrolled in a Transitional Policy, they will have the option to keep their plan until October 1, 2017 as well. Business rules for Transitional Policies will be shared in more detail in the coming months.

2. Change policy year and early renew medical coverage on October 1, 2015

- New Jersey employers with 51-100 employees have the option to move their 2015 coverage effective date to October 1, 2015. This will allow these employers to lock in rates and benefits through October 1, 2016.
 - To select an October 1 effective date, New Jersey employers with a June through September 2015 effective date must complete and submit a ***New Jersey Employer Renewal Date Change and Plan Year Verification Form (for New Jersey Transitional Relief 51-100)*** by the fifteenth of the month of their current 2015 renewal date. **This applies to both renewing and new business.**
 - Employers will be responsible for notifying their employees of plan coverage changes 30 days in advance of the new policy effective date and for distributing a new Summary of Benefits and Coverage

(SBC) document.

- **Contract year benefit accumulation periods will start over on October 1, 2015.** Calendar year benefit accumulation periods will reset on January 1, 2016.
 - The employer's 2016 effective date will be October 1, 2016. Any employer experiencing a reclassification based on group size will need to purchase a small group policy in 2016.
- **Employers who have or are interested in specialty benefit coverage**
The new definition of a small group does not apply to our specialty business; however, New Jersey employers with 51-100 employees have the following cost savings options:
- Current Specialty Customers: Align specialty and medical coverage effective dates to December 1, 2015 and receive a 24-month specialty rate guarantee at renewal.
 - New Specialty Customers: Add a specialty product and align medical and specialty coverage effective dates to December 1, 2015, and receive a 24-month specialty rate guarantee.

3. **Move to a small group product effective January 1, 2016**

- Your clients' groups' experiences will be pooled together with groups ranging in size from one employee to 100 employees for purposes of determining their premium rate. Please be aware that if your client currently has a UnitedHealthcare product, this will no longer be a small group option in New Jersey under the new group size definition as of January 1, 2016. Employers who move into a small group product will be offered an Oxford plan.

We have enclosed a ***Questions and Answers for Employer Sponsored Plans in New Jersey with 51-100 Employees*** document for use with your clients on this topic. If you have any questions or would like more information, please contact your sales representative.

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