

## Transitional Coverage Options Extended for Oxford New Jersey Small Group Employers through the 2015 Plan Year

We previously notified you that, due to a determination by federal and New Jersey regulators, we would allow small group customers with New Jersey situated plans with January 1, 2014 through October 1, 2014 effective dates to renew their existing 2013 Oxford<sup>1</sup> coverage with limited changes for 2014. It has recently been announced that transitional relief will be extended beyond the original date of October 1, 2014.

Based on this, we will allow New Jersey small groups **sized 2-50** to renew their 2013 Oxford Transitional Coverage plan through the 2015 plan year. Please note that any New Jersey small group client that has already moved to an Affordable Care Act (ACA) compliant plan is not eligible for Transitional Coverage.

### Renewal coverage options

To ensure customers are aware of all their coverage options, each option will be shown in their renewal letter. A [federal notice](#) that highlights some of the differences between their Transitional Coverage and an ACA complaint plan will also be included in renewal packages.

Renewal options for the upcoming plan year are:

Groups with November 1, 2014 – December 1, 2014 effective dates
<ol style="list-style-type: none"> <li>1. Renew their existing 2013 small group coverage (Transitional Coverage);</li> <li>2. Elect the ACA-compliant plan sent in their 2014 renewal package; or</li> <li>3. Request alternative ACA-compliant plan design information</li> </ol>
Groups with January 1, 2015 effective dates and beyond
<ol style="list-style-type: none"> <li>1. Renew their existing 2014 small group coverage (i.e., Transitional Coverage or the ACA-compliant plan selected for 2014); or</li> <li>2. Request alternative ACA-compliant plan design information</li> </ol>

The [New Jersey Small Group Employer Certification](#) form **must be submitted** with all renewals.

### Quoting

Quote information for your clients' existing 2013 small group coverage (Transitional Coverage) will be available through our Oxford small group online renewal tool, Idea Management System<sup>SM</sup> (IDEA). You **will not receive a separate mailing containing rates** for your clients' existing 2013 small group coverage (Transitional Coverage). To renew into their existing 2013 small group coverage (Transitional Coverage), clients should follow the standard process outlined in their renewal package.

You will be able to elect any of the options available to your clients, including keeping their existing 2013 small group coverage, through IDEA. Customers who elect Transitional Coverage will not have all of the rights and protections under the ACA. Some of the differences between these plan options, as well as other coverage options available, are explained in the [federal notice](#) that will be included in small group renewal packages.

If you have questions or would like more information, please contact your sales representative.

<sup>1</sup> Oxford HMO products are underwritten by Oxford Health Plans (NJ), Inc. Oxford insurance products are underwritten by Oxford Health Insurance, Inc.  
NJ-14-551



## **REQUIRED FEDERAL NOTICE**

Dear Policyholder,

We are writing to inform you that, consistent with federal guidance initially announced in November 2013 and extended in March 2014, you may keep your existing coverage for the upcoming policy year.

### **How Do I Keep My Current Plan?**

To keep your current plan, please contact us.

As you think about your options, there are some things to keep in mind. If you choose to renew your current policy, it will NOT provide all of the rights and protections of the health care law. These include one or more of the following new protections of the Public Health Service Act (PHS Act) that were added by the health care law and that take effect for coverage beginning in 2014. As a result, your coverage:

- May not meet standards for fair health insurance premiums, so it can charge more based on factors such as gender or a preexisting condition, and it doesn't have to comply with rules limiting the ability to charge older people more than younger people (section 2701).
- May not meet standards for guaranteed availability, so it can exclude customers based on factors such as a preexisting condition (section 2702).
- May not meet standards for guaranteed renewability (section 2703).
- May not meet standards related to preexisting conditions for adults, so it can exclude coverage for treatment of an adult's preexisting condition (section 2704).
- May not meet standards related to discrimination based on health status (section 2705).
- May not meet standards for non-discrimination in providers (section 2706).
- May not cover essential health benefits or limit annual out-of-pocket spending, so it might not cover benefits such as prescription drugs and might have unlimited cost-sharing (section 2707).
- May not meet standards for participation in clinical trials, so you might not have coverage for services related to a clinical trial for a serious or life-threatening disease (section 2709).

## **How Do I Choose A Different Plan?**

You have new options and rights for getting quality, affordable health insurance.

You may shop in the Health Insurance Marketplace, where all plans meet certain standards to guarantee health care security and no one who is qualified to purchase coverage through the Marketplace can be turned away or charged more because of a preexisting condition. The Marketplace allows you to choose a private plan that fits your budget and health care needs. You may also qualify for tax credits or other financial assistance to help you afford health insurance coverage through the Marketplace.

You can also get new health insurance outside the Marketplace. Most new plans guarantee certain protections, such as your ability to buy a plan even if you or your employees have a preexisting condition. However, financial assistance is not available outside the Marketplace.

You should review your options as soon as possible, since you have to buy your coverage within a limited time period to preserve your consumer protections.

## **How Can I Learn More?**

To learn more about the Health Insurance Marketplace and protections under the health care law, visit [HealthCare.gov](http://HealthCare.gov) or call 1-800-318-2596.



Oxford Health Insurance, Inc.

# New Jersey Small Employer Certification

Mailing Address: NJ Small Group Enrollment Dept. • 14 Central Park Drive • Hookset, NH 03106 • 800-385-9088

## For a Group Health Benefits Plan

Employer Name:

Group Policy Number:

Address:

Street

[illegible]

# CERTIFICATION OF A SMALL EMPLOYER IN THE STATE OF NEW JERSEY FOR A GROUP HEALTH BENEFITS PLAN

For purposes of certification as a New Jersey Small Employer, an Employer is considered to be a Small Employer if the Employer satisfies **either** of the definitions set forth below. Check which definition applies to the Employer named above.

☐ (A) Small Employer pursuant to N.J.S.A. 17B:27A-17 modified as required by 26 U.S.C. 4980H

This definition counts eligible employees. Eligible Employee means a full-time employee who works a normal work week of 25 or more hours. Eligible Employee excludes sole proprietors, a partner in a partnership, independent contractors, spouses and employees working fewer than 25 hours per week, employees working on a temporary or substitute basis and employees participating in an employee welfare arrangement pursuant to a collective bargaining agreement.

In connection with a Group Health Plan with respect to a Calendar Year and a Plan Year, any person, firm, corporation, partnership, or political subdivision that is actively engaged in business that:

- employed an average of at least 1, but not more than 50, eligible employees on business days during the preceding Calendar Year, and
- employs at least one Eligible Employee on the first day of the Plan Year.

Eligible employees and any dependents to be covered must live, work or reside in the service area of the Group Health Plan.

All persons treated as a single employer under subsection (b), (c), (m) or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as one employer. In the case of an employer that was not in existence during the preceding Calendar Year, the determination of whether the employer is a small or large employer shall be based on the average number of Employees it is expected that the employer will employ on business days in the current Calendar Year.

☐ (B) Small Employer pursuant to 45 C.F.R. 155.20

This definition counts employees. Employee means an individual who is an employee under the common law standard.

Employee excludes a sole proprietor, a partner in a partnership and a 2 percent S corporation shareholder, as well as immediate family members of such individuals. Employee also excludes a leased employee.

In connection with a Group Health Plan with respect to a Calendar Year and a Plan Year, an employer with a business location in the state of New Jersey who:

- employed an average of at least one but not more than 50 Employees on business days during the preceding Calendar Year; and
- who employs at least one Employee on the first day of the Plan Year.

Employees and any dependents to be covered must live, work or reside in the service area of the Group Health Plan.

All persons treated as a single employer under subsection (b), (c), (m) or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as one employer. In the case of an Employer which was not in existence throughout the preceding Calendar Year, the determination of whether such employer is a small or large employer shall be based on the average number of employees that it is reasonably expected such Employer will employ on business days in the current Calendar Year.

The following calculation must be used to determine if an employer employs at least 1, but not more than 50, employees. For purposes of this calculation:

- a) Employees working 30 or more hours per week are full-time employees and each full-time Employee counts as 1;
- b) Employees working fewer than 30 hours per week are part-time and counted as the sum of the hours each part-time Employee works per week multiplied by 4 and the product divided by 120 and rounded down to the nearest whole number.

Add the number of full-time Employees to the number that results from the part-time employee calculation. If the sum is at least 1, but not more than 50, the employer employs at least 1 but not more than 50 Employees.

Complete the following sections if the Employer is a Small Employer as defined in (A) or (B) above.

Please indicate below the number of employees by work location/State. All employees must be included, regardless of whether or not they currently have medical coverage and through whom that coverage is provided.

Work Location (list by State)	Number of Employees				
	Full-Time	Part-Time		COBRA or State Continuees	Other

The following information will be used to calculate the participation rate. Refer to the definition of "Eligible Employee" on page 1.

Total number of Eligible Employees \_\_\_\_\_

Total number of Eligible Employees applying/enrolling for health benefits coverage \_\_\_\_\_

Total number of Eligible Employees waiving health benefits coverage under the policy with coverage under their spouse's or parent's group coverage, Medicare, Medicaid, or NJ FamilyCare or Tricare or any other group Health Benefits Plan **through a different employer** \_\_\_\_\_

Total number of Eligible Employees waiving health benefits coverage under the policy with coverage under a Health Benefits Plan **issued by another carrier and offered by the small employer :** \_\_\_\_\_

Please separately list the name(s) of the other carrier(s) and the number of employees covered under each:

\_\_\_\_\_  
\_\_\_\_\_

Total number of Eligible Employees waiving health benefits coverage under the policy without coverage under a spouse's or parent's group coverage; Medicare, Medicaid, or NJ FamilyCare or Tricare or any other Health Benefits Plan \_\_\_\_\_

Total number of Employees in an ineligible class or classes \_\_\_\_\_

The following information will be used to determine how certain federal laws apply to the Small Employer.

Is your firm subject to Working Aged Provisions of federal law (TEFRA/DEFRA)? ☐ Yes ☐ No  
(You may be subject to the law if you employed 20 or more employees for 20 weeks in the current or prior Calendar Year)

Is your firm subject to the requirements of the federal COBRA law? ☐ Yes ☐ No  
(You may be subject to the law if you employed 20 or more employees during 50% or more of the working days during the previous Calendar Year.)

What is the **average** number of employees you employed during the entire **previous Calendar Year** regardless of whether they were eligible for enrolled for group coverage? \_\_\_\_\_

(When answering this question, please count any employee for whom your company issues a W-2 and include full-time, part-time and seasonal workers.)

## CERTIFICATION

Please sign and date appropriate section indicating whether or not you meet the definition of a small employer which is an "either or" definition.

☐ I certify that I qualify as a Small Employer in the State of New Jersey using definition ☐ (A) ☐ (B)

**AND**

☐ I certify that the information provided to Oxford is true and complete. I understand that if the above information is not complete or is not provided to Oxford in a timely manner, then health benefits coverage does not have to be offered or continued. I further understand that incomplete or untrue information may void health benefits coverage.

\_\_\_\_\_  
Signature of Officer, Partner or Owner

\_\_\_\_\_  
Title

\_\_\_\_\_  
Print Name of Officer, Partner or Proprietor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Date

☐ I certify that I am NOT a Small Employer in the State of New Jersey as defined in either (A) OR (B) above.

\_\_\_\_\_  
Signature of Officer, Partner or Owner

\_\_\_\_\_  
Title

\_\_\_\_\_  
Print Name of Officer, Partner or Proprietor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Date

**Any person who includes any false or misleading information on an application or enrollment form or certification for a health benefits plan is subject to criminal and civil penalties.**

## EMPLOYEE CENSUS INFORMATION

Complete this section if you have certified that the Employer is a Small Employer using definition (A) or (B).

Please include the following persons in the following list:

- a. Employees, owners, partners, officers, and independent contractors who are actively working for the employer on a regular basis, and are paid by the employer on a regular basis, whether or not they are eligible to be covered under the policy.
- b. Employees, owners, partners, officers, and independent contractors who are not working, but who are currently covered under the employer's health benefits plan for reasons such as continuation of coverage or total disability.

Please use the following letters to indicate status:

- O: Owner, partner or officer
- F: Full-time employee who works 25 or more hours per week
- P: Part-time employee who works less than 25 hours per week
- T: Temporary employee
- S: Seasonal Employee
- D: Totally Disabled employee
- C: Continuee under state or federal law
- U: Employee participating in an employee welfare arrangement established pursuant to a collective bargaining agreement

Name	Job Title	Date of Employment	Hours Worked Per Week	Status	Work Location (State)	Gender	Date of Birth
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Name	Job Title	Date of Employment	Hours Worked Per Week	Status	Work Location (State)	Gender	Date of Birth
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If additional space is needed, attach a separate sheet.