

# Medicare Supplement Plans

## Underwriting and Administration Guide

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## Introduction

### *Producers*

Thank you for partnering with Premera Blue Cross to provide Individual Medicare Supplement coverage in the state of Washington. We here in the medical underwriting department understand the team effort needed between ourselves and producers to ensure that the best service is provided to all prospective applicants.

The goal of this guide is to provide some insight into our processes by summarizing key procedures pertaining to the sale and administration of Medicare Supplement in the state of Washington. To the extent that any contract or procedure described herein is inconsistent with information found in the enrollment application or contract currently in force, the information within the application or contract will govern.

### *Underwriting Function*

Our function in the underwriting department is to assess and classify the degree of financial risk and make a decision concerning acceptance of that risk.

### **Underwriting Concepts**

We review applications in the order in which they are received, following a first-in, first-out approach. Once an application has been logged into the underwriting department, an underwriter is assigned and the application is carefully reviewed. Every attempt is made to underwrite based upon the information provided on the enrollment application; however, additional information or medical records may be required.

In all cases, the underwriting evaluation is based on many factors, including:

- Height & weight
- Dates of treatment
- Diagnosis & prognosis
- Use of prescription drugs
- Stage of treatment
- Follow-up required
- Chronic or acute nature of the disease

### **Coverage**

Coverage cannot be guaranteed and no promises should be made to the applicant(s) when the application is completed. The decision to issue coverage will be made by underwriting based upon the review of the application and any additional information obtained.

### **Exceptions to Underwriting (Guaranteed Issue)**

Medicare Supplement plans have special rules that allow certain applicants to enroll without being medically underwritten.

These special rules and circumstances are complicated. To help, we have provided a chart at the end of this guide that explains the "Guaranteed Issue" rules and what type of proof needs to be submitted with the application if the applicant is eligible for the exception.

## Eligibility Requirements

### *Eligibility Considerations*

Your clients are eligible to apply for a Medicare Supplement plan if they:

- Are residents of the state of Washington, excluding Clark County
- Are covered under Medicare Part A & B
- Are 65 years of age or older
- Don't receive Medicaid Assistance other than payment of your Medicare Part B premium.

### **Residence**

A "resident" means a person currently residing in the state of Washington. Proof of residency may be requested that shows a street address. A P.O. Box number is not acceptable as a primary residency address but may be used for billing and or mailing purposes.

## List of Declinable Conditions

These are health conditions that would most likely result in a decline if current, diagnosed and/or treated within the last 5 years.

Addison's Disease	Coronary Insufficiency	Narcolepsy
AIDS	Coronary Occlusion	Neurofibromatosis
Alcohol Dependence or Abuse	Critical Organ Cyst/Tumor (present)	Pace Maker
Alzheimer's Disease	Crohn's Disease	Pancreatitis (chronic)
Amyotrophic Lateral Sclerosis	Cushing's Disease	Paraplegia
Anemia: Aplastic, Hemolytic, Sickle Cell	Dermatomyositis	Parkinson's Disease
Angina	Diabetes	Peripheral Vascular Disease
Ankylosing Spondylitis	Elevated Blood Sugar	Polyarteritis
Anorexia	Emphysema	Polycystic Kidneys
Anticipating and/or Pending Surgery	Encephalopathy (within 1 year)	Polycythemia Vera
Aortic Stenosis	Esophageal Varicosities	Psychosis
Aplastic Anemia	Fibromyalgia	Psychotic Disorders
Arteritis	Fracture (pathological)	Pulmonary Embolism
Artificial Heart Valve	Gastric Bypass Surgery	Pulmonary Fibrosis
Asthma: Severe	Glomerulonephritis	Quadriplegia
Atherosclerosis	Guillain-Barre (current)	Reiter's Syndrome
Attempted Suicide	Heart Attack	Rheumatoid Arthritis
Barrett's Esophagitis	Heart Valve Infection	Sarcoidosis
Bell's Palsy (current)	Heart Valve Regurgitation/Prolapse	Schizophrenia
Bi-Polar Disease	Heart Valve Transplant	Scleroderma
Bleeding Disorders (coagulation defect)	Heart Valve: Artificial	Spinal Fusion
Bronchitis (chronic)	Hemophilia	Spinal Stenosis
Bulimia	Hepatitis A or E (current)	Splenectomy (within 4 years)
Cancer (Metastatic, Sarcoma, Lymphoma, Bone)	Hepatitis B or C	Stroke
Cancer: Local/Regional	Hepatomegaly	Subarachnoid Hemorrhage
Cardiomyopathy	HIV+	Syringomyelia
Cataracts (unoperated)	Hodgkin's Disease	Transient Ischemic Attack
Charcot-Marie-Tooth Disease	Huntington's Chorea	Transplants
Chemical/Drug Dependency or Abuse	Hydrocephalus	Ulcerative Colitis
Chronic Back or Neck Pain/Strain	Interstitial Cystitis	Ventricular Tachycardia
Chronic Fatigue Syndrome	Joint Replacement	Von Willebrand Disease
Chronic Obstructive Pulmonary Disease	Kidney Failure/Nephritis	Weight Exceeding Limits
Cirrhosis/Liver Failure	Leukemia	
Congestive Heart Failure	Macular Degeneration	
Coronary Artery Disease	Macular Tear or Hole	
	Marfan's Syndrome	
	Melanoma	
	Multiple Sclerosis	
	Muscular Dystrophy	
	Myasthenia Gravis	

# Enrollment Guidelines

## Medical Underwriting

Underwriting is the process of reviewing and comparing the medical history of applicants against established underwriting guidelines in order to determine the appropriate level of risk. The Medical Underwriting process is designed to identify potential medical risk and associated costs for the conditions listed on the application.

The height and weight table included within these guidelines will be used to evaluate an applicant's insurability.

FEMALES			
Height	Minimum Weight	Maximum Weight	Average Weight
4'8"	89	150	111
4'9"	90	153	113
4'10"	92	155	115
4'11"	94	158	117
5'0"	96	162	120
5'1"	98	166	123
5'2"	101	170	126
5'3"	103	174	129
5'4"	106	178	132
5'5"	108	182	135
5'6"	111	188	139
5'7"	114	192	142
5'8"	117	197	146
5'9"	120	203	150
5'10"	123	208	154
5'11"	127	215	159
6'0"	131	221	164
6'1"	135	228	169
6'2"	139	235	174
6'3"	143	242	179
6'4"	147	248	184
6'5"	151	255	189
6'6"	155	262	194
6'7"	159	269	199
6'8"	163	275	204
6'9"	167	282	209
6'10"	171	289	214
6'11"	175	296	219
7'0"	179	302	224

MALES			
Height	Minimum Weight	Maximum Weight	Average Weight
5'0"	105	177	131
5'1"	107	181	134
5'2"	110	185	137
5'3"	113	190	141
5'4"	116	196	145
5'5"	119	201	149
5'6"	122	207	153
5'7"	126	212	157
5'8"	129	217	161
5'9"	132	223	165
5'10"	136	230	170
5'11"	139	235	174
6'0"	143	242	179
6'1"	146	247	183
6'2"	150	254	188
6'3"	154	261	193
6'4"	159	269	199
6'5"	164	277	205
6'6"	170	286	212
6'7"	174	294	218
6'8"	179	302	224
6'9"	184	311	230
6'10"	189	319	236
6'11"	194	327	242
7'0"	198	335	248
7'1"	203	343	254
7'2"	208	351	260
7'3"	213	359	266
7'4"	218	367	272
7'5"	222	375	278
7'6"	227	383	284
7'7"	232	392	290
7'8"	273	400	296
7'9"	242	408	302
7'10"	246	416	308
7'11"	251	424	314
8'0"	256	432	320

## Application Process

Premera Blue Cross is committed to meeting the needs of our senior community by offering a variety of plans that provide health care coverage at an affordable cost.

You, the producer, can help us expedite the review process and limit processing time by verifying that all questions on the application and health statement (if applicable) have been completed and any clarifying information has also been provided. Most delays are the result of incomplete, unsigned or undated applications.

### Producer Resources

Please visit [premera.com](http://premera.com) for more resources.

### Completeness of Application

It is not in our contract to routinely request medical records during our review process; however, it may be necessary in some instances.

We ask that all correspondence be returned to Premera Blue Cross within thirty (30) days. If correspondence is not received within that timeframe, the application will be closed. The applicant will need to reapply with a new application and tentative effective date.

### Payment Options

We offer the following options for payment of your client's subscription charges.

- Automatic Funds Transfer (AFT)
- Credit Card Payment
- Direct Monthly Billing

### Things to Know That Can Delay the Application Process

#### Helpful Hints:

- Before submitting an application, do a line-by-line review to ensure all questions have been answered.
- If applicable, review Section G of the application (health conditions); to ensure that a response has been given for all conditions marked "yes."
- If a condition was answered "yes" on Section G, ensure that it is fully explained on page 8 of the application.

- If any medication is currently being taken, include the mg and daily dosage.
- If the applicant qualifies for exemption, proof pertaining to the exemption is required. To determine what proof is needed, please refer to the "Guaranteed Issue" guide on the last page of this document.
- Please provide the Medicare number and suffix.
- Be sure to include Part A and B effective dates.
- When scanning or faxing the application or additional information, use the original application or additional information letter to help ensure the best copy is received.

### Premera Blue Cross Medicare Supplement application checklist for paper applications

#### Section A: Applicant information

- First and last name
- Home, mailing and billing address
- Phone number
- Date of birth
- Height and weight
- Gender

#### Section B: Select a plan

- Only one Medicare Supplement Plan choice is clearly selected
- Both questions must be answered with either "yes" or "no."

#### Section C: Date of Coverage

- Indicate the month coverage is to begin.

#### Section D: Payment Options

- Select payment option
- Complete banking information if applicable
- Signature required for automatic monthly withdrawal (AFT) option

#### Section E: Current Health Coverage

- Answer all questions "yes" or "no"
- Fill in the Medicare claim number
- Complete the Part A and Part B effective dates

To avoid application processing delays, be sure to complete this section entirely.

**Section F:** Do you need to complete, “Section G: Your Health Conditions?”

- Review this section to determine Guaranteed Issue eligibility.

**Section G:** Health Conditions

- If applicant is not eligible for Guarantee Issue, all questions must be clearly and individually marked “yes” or “no”
- ALL “yes” answers on the health conditions must be clearly explained on Section G, question 2 and include the condition number, condition name, dates, treatment, final results, and attending physician’s information.
- ALL medications listed under question 3 must match up with health conditions on the health statement

**Section H:** Authorization Section

- Application must be signed and dated

**Section I:** Final Checklist of attached documents

- Ensure all actions in the final checklist are completed.

**Section J:** Producer section

- Producer section must be completed, signed and dated.

## Producer Relations

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### *Customer Service Department*

For questions regarding existing policies, including benefits, providers, claim status, etc, please contact our Customer Service Department at 800-752-6663, option 1, Monday – Friday 8am to 5pm, Pacific Standard Time. Required forms can be obtained through our website via the link below.

### *Plan Changes*

For all change requests, the new effective date will be the first of the month following the receipt of the completed application.

Some plan change requests may require the applicant to go through the underwriting process.

As always, if you have any additional questions regarding a plan change and the requirements, please feel free to contact Producer Relations at 800-752-6663, option 2.

## Medicare Supplement “Guaranteed Issue” Guide

Applying for coverage during applicant’s open enrollment period as described below.	Submit the following documents
Application submitted prior to or during the 6-month period beginning on the first day of the first month in which the applicant turned 65 years of age or older and enrolled for benefits under Medicare Part B.	Include the applicant’s Medicare card information on the application or a copy of the card.
Applying for Plan A, F, or High Deductible F no later than 63 days from the date the applicant’s previous coverage ended and...	Submit the following documents
The applicant’s Medicare Advantage plan, Medicare Select plan or Program of All-Inclusive Care for the Elderly (PACE) terminated or is no longer providing service in their area or the applicant moved out of the area.	<p>If the previous carrier terminated or discontinued the plan:</p> <ul style="list-style-type: none"> <li>• Letter from prior carrier that contains reason for the discontinuation/termination and the term date.</li> </ul> <p>If the applicant moved out of the carrier’s service area:</p> <ul style="list-style-type: none"> <li>• Utility bill from previous address <b>and</b> termination letter from prior carrier showing termination date.</li> </ul>
The applicant was covered by an employer’s group plan that provided health benefits secondary to Medicare (such as COBRA, retiree, etc.) and the plan terminated or no longer provides benefits.	<p>Submit a notice of termination or explanation of benefits for a claim denied due to a termination and</p> <ul style="list-style-type: none"> <li>• If the applicant had a retiree plan, submit one of the following: <ul style="list-style-type: none"> <li>- Termination letter showing it’s a retiree plan;</li> <li>- Benefit booklet pages from the benefit booklet showing it’s a retiree plan; or</li> <li>- Explanation of benefit showing Medicare paid primary.</li> </ul> </li> <li>• If the applicant had a COBRA plan, submit an election notice or COBRA bill (may be a coupon).</li> <li>• If the applicant had a group plan secondary to Medicare, submit an explanation of benefit showing Medicare paid primary.</li> </ul>
The Medicare Supplement policy terminated because the insurer became insolvent or bankrupt.	Letter from the carrier or Insurance Commissioner showing termination date.
The Medicare Supplement, Medicare Advantage or PACE insurer violated a material provision of the policy or the agent materially misrepresented the plan’s provisions in marketing the plan.	Letter from the carrier showing termination date.
The applicant terminated their Premera Medicare Supplement plan, enrolled in a Medicare Advantage plan, and then voluntarily disenrolled within the first 12 months of enrolling. (The applicant may enroll in the Premera Medicare Supplement plan they were previously on. However, if that plan is not available, they may enroll in Plan A, F or High Deductible F.)	Letter from the prior Medicare Advantage carrier showing termination date.
The applicant joined a Medicare Advantage or Pace plan when they were first eligible for Medicare and within the first 12 months disenrolled. (The applicant may enroll in Plan A, F or High Deductible F.)	Letter from the carrier showing termination date.



Applying with no gap in coverage and...	Submit the following documents
<p>The applicant is transferring with no gap in coverage from a Medicare Supplement Plan A to Plan A.</p>	<p>Letter from prior carrier showing current Plan A coverage. Combination of reports, ID cards, or other documentation that cumulatively provides:</p> <ul style="list-style-type: none"> <li>• Applicant Name</li> <li>• Plan A coverage</li> <li>• Prior carrier name</li> </ul>
<p>The applicant is transferring with no gap in coverage from a Medicare Supplement Plan B, C, D, F, High Deductible F, G, K, L, M or N or another more comprehensive plan to Plan F, High Deductible F or N.</p>	<p>If transferring from a Medicare Supplement plan, submit:</p> <ul style="list-style-type: none"> <li>• Letter from the prior carrier showing current coverage.</li> <li>• Combination of reports, ID cards, or other documentation that cumulatively provides:</li> <li>• Applicant Name</li> <li>• Plan A coverage</li> <li>• Prior carrier name</li> </ul> <p>If transferring from more comprehensive Group or Individual plan; Medicare Advantage, Medicare Cost, Medicare Risk, healthcare prepayment , PACE plan:</p> <ul style="list-style-type: none"> <li>• Letter from prior carrier showing termination date, and</li> <li>• Booklet summary of benefits or other documentation of plan benefits.</li> </ul>