

# BusinessEDGE<sup>®</sup> Level-Funded Plans for Employer-Sponsored Health Plans

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## Frequently Asked Questions

**1. What are BusinessEDGE<sup>®</sup> plans?**

BusinessEDGE<sup>®</sup> plans are level-funded plan options for qualifying groups, which can help mitigate healthcare costs because they offer protection from high claims and predictable, fixed monthly payments.

**2. Who can purchase a BusinessEDGE plan?**

Employers with 5–250 enrolled employees can purchase a BusinessEDGE plan for their employees.

**3. May a current fully insured Optima Health group request a quote for BusinessEDGE mid-plan year?**

Yes, as long as they meet the size requirements and follow current mid-year change requirements and timelines.

**4. How many plans may a broker/group request or quote at one time?**

A broker and/or group may request a proposal with full details on rate determinations for up to four BusinessEDGE plans. In addition, brokers may also receive monthly rates for all other available BusinessEDGE plans, provided the employee census quoted does not vary more than 15% than the census submitted for enrollment, and no major medical conditions are introduced into the group enrollment.

**5. Is there a restriction on what plans can be grouped together?**

No. Employer groups can offer up to four plan choices.

**6. Can a group pick its specific and/or aggregate stop-loss points?**

Specific and aggregate stop-loss point pairings are pre-determined based on enrolled employees at the time of initial enrollment. If an agent/group would like to choose a different pairing they can contact their Optima Health sales representative to discuss options.

**7. How will the group be expected to make the monthly payments once it becomes a BusinessEDGE customer?**

The group will be set up on an automatic bank draft. The payment will be deducted around the twenty-sixth of the month prior to the effective date of the following month. The group is allowed one 30-day grace period during its contract year. Optima Health will not pay any claims while a group is in its grace period.

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**8. What happens if the group's enrollment changes during the plan year?**

If enrollment changes by more than 15%, Optima Health reserves the right to re-evaluate the group for eligibility in BusinessEDGE products.

**9. What value-added benefits are available with BusinessEDGE products?**

The same value-added benefits you would get with a fully insured product. The value-added benefits include virtual consults, Employee Assistance Program, Emergency Travel Assistance, online tools and resources accessible via the website and mobile app, and more.

**10. Can the agent of record for the group receive copies of the monthly reporting to review with their clients throughout the year?**

Monthly funding reports will soon be available to access online through Reports to Web from the Employer Portal. These reports will also be available on the Broker Portal with group approval.

**11. What happens if a group terminates prior to the end of the contract year?**

If a group terminates mid-year, Optima Health will no longer pay claims after that point and any stop-loss claims will not be processed or paid. Optima Health will retain money for claims funded.

**12. What is a run-out period?**

A "run-out" period is the timeframe following a contract period when claims that were incurred during the contract period can still be submitted to be paid.

**13. What is the contract basis for BusinessEDGE plans?**

BusinessEDGE plans are sold on a 12/24 contract, a 12-month incurred plan with a 12-month run-out period.

**14. I paid my premium each month, but my group's claims were lower than expected. What happens to any unused claims fund dollars? When might a refund be paid?**

If the group is still insured under an Optima Health group plan at time of final calculations and claims are lower than expected, the employer will receive a predetermined percentage of the leftover maximum claim dollars after the run-out period. The refund percentage amount is determined by the initial contract.

**15. What happens when a claim is not paid by the end of the run-out period?**

After the initial incurred claims contract, there is a 12-month run-out period to pay claims incurred during the contract term and to account for any adjustments. If the claim is not paid by the end of the run-out period, the claim will be denied and returned back to the provider.

**16. Are there restrictions on how an employer can use its refund?**

The employer group may use the refund any way they see fit. Employers must contact a tax advisor for any questions specific to tax implications.

# BusinessEDGE

## For Employer-Sponsored Health Plans

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#### **17. What is the process for COBRA enrollees, for groups with BusinessEDGE plans?**

BusinessEDGE groups use automatic bank draft to pay their monthly bill, and any premiums for COBRA enrollees will be collected along with premium payments for active employees. The group will keep the premium the COBRA enrollee pays to you or your third-party administrator.

#### **18. What is the requirement for distributing the 1095 form to employees and filing it with the Internal Revenue Service?**

All BusinessEDGE plans are self-funded plans, which means that the employer is the issuer and is required to provide all eligible employees a 1095 form, and file it with the Internal Revenue Service (IRS) annually. You should consult with your tax or legal consultant to make sure which form you should use and filing deadlines; generally, groups with 50 or fewer eligible employees use the 1095-B form, and groups with more than 50 eligible employees use the 1095-C form.

Optima Health will provide BusinessEDGE groups online access to a data file on the employer portal that contains the member coverage information needed to complete the 1095 form. In addition to tax preparers, there are companies that can help you complete, distribute, and file the 1095 form. Please note that Optima Health neither partnered with nor is affiliated with any of these companies. We are providing this information solely as a courtesy.

- [AATRIX eFile](#)
- [ACA Reporting Service](#)
- [ACA Track](#)
- [Greatland](#)
- [Health e\(fx\)](#)

#### **19. What network will the group(s) with BusinessEDGE use?**

Optima Health BusinessEDGE members will have access to the full network of over 37,000 providers throughout Virginia

#### **20. What happens to the group if enrollment increases or decreases outside the 5–250 enrolled employees range at the renewal?**

If a group ends up with fewer than five enrolled employees at its renewal, the group is no longer eligible for BusinessEDGE product(s). If the group is between 251–270 enrolled employees, the group will be allowed to renew but must fall between 5–250 enrolled employees before the next renewal. If the group has grown to be greater than 270 enrolled employees, Optima Health will offer one of our Large Group Self-Funded or Fully-Insured products.