

# COVID-19 FAQ for business customers

The coronavirus is impacting businesses of all sizes. Here are the latest answers to some of your most frequently asked questions.

## Q: What if I want to switch to a leaner plan offering?

**A:** Small and large employers may make a one-time, “mid-plan year” change to downgrade from the current plan they are on to lower cost plan to reduce their premiums and maintain coverage for the balance of the contract year under the below parameters. The restrictions, limitations, and guardrails are:

- This must be a full plan transition and all medical coverage options must make similar changes.
- Customer can only downgrade to a KP Standard Plan, specific benefit customization is not allowed.
- You cannot move to/from KFHP and KPIC plans, we cannot cross accumulate between legal entities.
- Plan changes must be made by a 5/1/2020 effective date
- Accumulation credit to new plan deductibles and OOP maximums can be supported with the following exceptions/limitations:
  - ▶ Customer must keep their same Group ID when changing plans mid accumulation.
  - ▶ Customer must remain under the same line of business (Large Group, Small Group, KPIF).
  - ▶ Groups cannot change plans multiple times within an accumulation period, group cannot make multiple plan changes the same plan year.
  - ▶ No automated accumulation credit when member stays in same group but moves from one region to another.

**Q: Can I enhance an existing plan temporarily due to fear of out-of-pocket expenses for employees?**

**A: For large and small groups:** No. Kaiser Permanente already offers a number of ways to help members that may experience financial hardships. Cost sharing for medically necessary screening and testing for COVID-19 has been reduced to zero dollars (\$0.00) for all Kaiser Permanente plans. Additionally, eligible members who are experiencing high medical expenses may apply for our Medical Financial Assistance program (MFA), which covers emergency and medically necessary health care services, pharmacy services and products, and medical supplies provided at Kaiser Permanente facilities.

**Q: Can I add a low option plan and keep an existing plan, with the option to switch plans for currently covered employees and dependents (only)?**

**A:** Small and Large employers may make a one-time, "mid-plan year" change to downgrade from the current plan they are on to lower cost plan to reduce their premiums and maintain coverage for the balance of the contract year under the below parameters. The restrictions, limitations, and guardrails are:

- This must be a full plan transition and all medical coverage options must make similar changes.
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## Eligibility questions

**Q: If my employee waived coverage, how can my employee enroll during Special Open Enrollment?**

**A: For large and small groups:** Kaiser Permanente will allow a large group and small group special open enrollment for a 4/1/2020 effective date for employees that previously waived coverage. The following parameters must be met:

- Enrollment applications must be received by 4/3/2020.
- All previously waived employees must be offered coverage under the same contributions as employees already participating.
- Enrollees must remain on the plan for the duration of the contract period unless employment is terminated.
- The customer understands that accumulated benefits will not be pro-rated.
- All other medical coverage options must also offer this special open enrollment.

As an alternative, Kaiser Permanente supports enrollment in the Exchanges that are now open for a special open enrollment and advises that the employer should understand tax implications before opening coverage to waived employees who do not have a qualifying event.

**Q: Can I delay the dates of our regular open enrollment to follow our contract effective date due to COVID-19 business impact? (For example: a July 1 renewal would typically offer open enrollment before July effective date. Due to business impact, we cannot offer an open enrollment until later in the year.)**

**A: For large and small groups:** Yes, Kaiser Permanente will allow a delayed open enrollment when it was not offered prior to the contract effective date and is offered to all eligible employees and all carriers are offered.

**Q: Can an employee who loses eligibility (e.g. hours reduced, furloughed employee, etc.) retain eligibility if I (the employer) still pays employer contributions?**

**A: For large and small groups:**

- As long as the group and employee are current on their monthly payments, Kaiser Permanente will allow employees that would otherwise have lost eligibility to remain on the plan.
- Kaiser Permanente reserves the right to change this policy at any time.

**Q: Can an employee who loses eligibility retain eligibility if I (the employer) will not pay employer contributions?**

**A: For large and small groups:** If an employee loses eligibility and the group will not cover the employer contribution, the employee is encouraged to explore COBRA, their state based exchange, or the federally facilitated marketplace, based on a qualifying life event.

**Q: If I hire employees back after a layoff, can they waive the waiting period when they return?**

**A: Large Group:** Kaiser Permanente will allow the group to define the waiting period, as long as the waiting period and employer contribution are consistent for all employees.

**Small Group:** Kaiser Permanente will allow the group to define the waiting period when the employee returns to work, with no minimum, but no greater than 90 days.

**Q: If I am not able to submit a plan change request in a timely manner, will Kaiser Permanente Small Group accept a late request?**

**A: Small Group:** Kaiser Permanente will keep our current policy in place that requires plan changes to be submitted by the 15th of the month.

## Financial questions

**Q: What happens if I can't pay due to finances – including an extended grace period?**

**A: For large and small groups:** Kaiser Permanente understands the financial impact that COVID-19 has had on our customers, members, and communities. Kaiser Permanente is working with regulators and, at this time, will not terminate coverage for non-payment of premium through the month of April.

**Q: What happens if I (the employer group) delay payment because there are no staff around to pay it?**

**A: For large and small groups:** Kaiser Permanente understands the financial and work availability impact that COVID-19 has had on our customers, members, and communities. Kaiser Permanente is working with regulators and, at this time, will not terminate coverage for non-payment of premium through the month of April.

**Q: Can you offer EE financial assistance?**

**A: For large and small groups:** Kaiser Permanente understands the financial impact that COVID-19 has had on our customers, members, and communities. Kaiser Permanente is working with regulators and, at this time, will not terminate coverage for non-payment of premium through the month of April.

**Q: Is Kaiser Permanente following the California Insurance Commissioner's direction in terms of a 60-day grace period for all insurance policy holders including health insurance? Does this apply to both Large Group and Small Group?**

**A: For large and small groups:** Yes, Kaiser Permanente is following the California Insurance Commissioner's recommendation of suspending terminations for a 60-day grace period. This applies to all of our business regulated by the California Insurance Commissioner, including Large Group and Small Group. However, the guidance doesn't apply to the majority of Kaiser Permanente's business because we're regulated by the Department of Managed Health Care.

## **Underwriting, rating, and reporting questions**

**Q: Will Kaiser Permanente re-rate for enrollment changes?**

**A:** Kaiser Permanente understands the impact that COVID-19 has had on our customers, members, and communities. At this time, we will not actively re-rate for enrollment changes related to the current crisis.

**Q: Would guaranteed availability (no underwriting parameters) be available for new business?**

**A:** There is no change to our current policy on guaranteed availability.

## **Self-funding questions**

**Q: I'm a self-funded customer and I am experiencing a large drop in claims, what is causing this?**

**A:** A drop in claims can occur at any time depending on specific utilization. At this time, you may experience a greater drop in claims because most non-urgent and elective procedures have been delayed to keep our members safe and we have moved to more telemedicine visits of which most are covered by your Integrated Care Management fees. A best practice is to continue to accumulate at the higher level as you may experience a greater increase in the future for pent up demand of utilization as the COVID-19 crisis subsides.

**Q:** Will Kaiser Permanente accept any form of electronic signature on group applications during this time when access to necessary equipment may be scarce?

**A:** For large and small groups: Kaiser Permanente can accept all forms of electronic signatures, including DocuSign, other verified signatures, or typed signatures sent via email, which gives us the email/sender of the person signing the application.

**For the most current information, contact your Kaiser Permanente representative or account manager.**

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