

Q: Why does the *Seniors Choice* program require an employer's sponsorship?

A: *Seniors Choice* is filed with each approved state as a Group Retiree Medical Plan. It cannot be sold to individuals who are not covered under a signed contract between MBA and the sponsoring employer, called an Employer Trust Participation Agreement. Covered individuals are those either currently working for the employer or that has retired from the employer.

Q: When an employer has 20+ employees, can we take a 65+ employee, currently working and eligible for the employer group plan, and offer them *Seniors Choice*?

A: No. Due to TEFRA regulations, employers with 20 or more full-time and part-time employees must cover full-time employees age 65+ on an employer sponsored group plan which makes those employees ineligible for *Seniors Choice*.

Q: Can we take someone 65+ who works for an employer with less than 20 full-time and part-time employees and remove them from the group plan and put them on *Seniors Choice*?

A: Yes. The group is not a TEFRA group therefore Medicare is primary for that individual which makes them eligible for *Seniors Choice*.

Q: Can that same individual in the last question be forced off the group plan and onto *Seniors Choice*?

A: Yes. As long as the coverage with *Seniors Choice* is equal to or better than the group plan they are currently on.

Q: What is the definition of an eligible *Seniors Choice* group?

A: You only need one person to make an eligible group. We will even accept an Employer Trust Participation Agreement with no current enrollees now and when someone becomes eligible, they can enroll at that time. Refer to Group Retiree Medical Eligibility Guidelines.

Q: What type of documentation if any is required for proof of a business entity?

A: We will accept various types of documents depending on what your state has such as; a Schedule C, copy of business license or other city/legal documentation that can be provided.

Q: Is there ever a time that a health statement is required for enrollment?

A: No. *Seniors Choice* is always guaranteed issue.

Q: If the member is contributing, can they pay by credit card or bank draft?

A: Yes.

Q: How often should we anticipate rate changes and how are renewals handled?

A: Although *Seniors Choice* has no rate guarantee; history of the program has shown that if there is an increase, it has always been on January 1st. One of the unique features of the *Seniors Choice* program is our renewal process. One way we control the pricing of the program is that the entire block renews together, therefore each member is part of a large pool and is never singled out for rate increases (everyone takes the same rates for the same plan).

Q: When can a member make a change to their current *Seniors Choice* plan?

A: Another unique feature about the program is that each year all groups renew on January 1st, no matter when you started the program. At renewal each employer, member and agent will receive a renewal notice. At that time if an employer or member wants to make a change they can. If a higher benefit level plan has been made available by the employer, the member can buy up with no health statements or underwriting.