



Health Advantage

An Independent Licensee of the Blue Cross and Blue Shield Association

EMPLOYER APPLICATION Blues Enroll

Renewal APPLICATION by: CITY OF CONWAY	
(hereinafter called "Group")	
for a Group Contract covering the employees of the Group and the eligible dependents of such employees. The Group intends hereby to establish and maintain an employee benefit plan (the "Plan") for the Group's employees and eligible dependents, to contribute to the cost of the Plan, and to actively promote the Plan to the Group's employees.	
GROUP INFORMATION	
Legal Name of Business: CITY OF CONWAY	
D/B/A: CITY OF CONWAY	
Street Address: 1201 OAK ST	
City, State, Zip: Conway , AR , 72032	County: Faulkner
Mailing Address: (if different from Street) 1201 OAK STREET	
City, State, Zip: Conway , AR , 72032	
Telephone #: 501-450-7087	
Fax #: 501-513-3503	
Fed. Tax I.D #: 71-6001898	
Exec. Contact:	E-Mail:
Group Administrator: TAB TOWNSELL	E-Mail:
Primary SIC Code: 9111	SIC Description: Executive Offices
Business Type: N/A	
Agent:	Agent's Lic #:
Agent's Company:	Agent's Tax Id:
GROUP AS PLAN ADMINISTRATOR	
The Group, as Plan Administrator, assumes responsibility for the accuracy of information presented to Health Advantage ("HA"), including all information on the employment status and eligibility of individuals to be covered under the Plan, as well as medical information provided with respect to each such individual. The Group agrees that if misrepresentations are made in any of the information provided for rating or in this Group Application or any of the materials submitted with it, including, but not limited to, individual applications and medical information, then HA may cancel or rescind this Group Contract. The Group further agrees that if misrepresentations or false or misleading information is presented in filing of any claims hereunder ("improper claims"), HA may cancel or rescind the coverage of any individual involved in presenting such a claim. Further, HA may cancel or rescind the entire Group Policy if the Group or any representative of the Group knew or should have known of the improper claims, or if the Group's action or inaction contributed to presentation of improper claims.	

BENEFIT SELECTION

BLUECHOICE POS OPEN ACCESS PLANS PRE-X - NS 303-X WS 1/11

REQUESTED EFFECTIVE DATE, PENDING APPROVAL IS: 1/1/2011

Waiting Period Note: Effective Date is first of the month following the Waiting Period.

Date of Open Enrollment: December

If a month is not specified, the Group's Open Enrollment will be the month prior to the Group's renewal date.

Class	Class Description	Waiting Period	Contribution
1	Low Option	30 Days	Employee 90 % Dependent 70 %
2	High Option	30 Days	Employee 86 % Dependent 66 %

Note: The Employer must pay a minimum of 50% of the Employee premium. This Group Contract may be terminated by Health Advantage if the Group fails to contribute the percentage of employees' premium specified above.

Maximum Dependent Age 26**Mandated Mental Health Parity: No**

Please Indicate whether a HRA, or mechanisms utilized to reduce the employee's portion of health plan costs, is either in place or planned to be purchased. **No**

Rates offered for this plan are contingent on assertions submitted by the insurance applicant (or its agent) that there is no HRA or other funding mechanism in place, nor intent to purchase such an arrangement. Upon evidence to the contrary, the group health plan is subject to termination.

Coinsurance In/Out:	20% / 40%	PCP/Specialist: \$25 / \$25
Emergency Room:	\$100	Inpatient In-Network: \$0
Inpatient Out-of-Network: 40%		Deductible In-Network: \$1000/\$2000
Deductible Out-of-Network: \$3000/\$6000		
In-Network Coinsurance Maximum: \$2000	<i>/ \$ 4000 limit</i>	
Out-of-Network Coinsurance Maximum: \$8000	<i>/ \$ 16,000 limit</i>	
Lifetime Maximum: Unlimited		
Preventive Health Services (PPACA required)		
Drug Coverage: \$7/\$25/\$50		
Based on actuarial review, this drug benefit option is creditable to the standard Medicare Part D prescription coverage.		

Optional Benefits:

Blue Card

Arkansas Mandated Offer Benefit Riders:**You Must Elect or Reject Each Rider:**

TMJ - Reject*

Mental Health/Substance Abuse - Reject

Hearing Aid - Reject

*Rejection of the TMJ Benefit Rider means covered benefits provided to Covered Persons will not include temporomandibular joint disorders (TMJ) or craniomandibular disorders.

Term Life and AD&D through US Able Life is not Provided

RATES - NS 303-X WS 1/11

Four Tier Composite	Total Premium
Employee	\$271.50
Employee & Spouse	\$517.60
Employee & Child(ren)	\$455.80
Family	\$713.90

If there is an agent or broker involved in this coverage transaction they may receive compensation from Health Advantage, or one of its affiliates, for his or her services related to the placement of this coverage. Any such compensation is included in the premium paid by the covered person. For more information on the compensation involved in this transaction, please direct your inquiry to the agent or broker.

BENEFIT SELECTION			
BLUECHOICE POS OPEN ACCESS PLANS PRE-X - NS 302X - WR 1/11			
REQUESTED EFFECTIVE DATE, PENDING APPROVAL IS: 1/1/2011			
Waiting Period Note: Effective Date is first of the month following the Waiting Period.			
Date of Open Enrollment: <u>December</u>			
If a month is not specified, the Group's Open Enrollment will be the month prior to the Group's renewal date.			
Class	Class Description	Waiting Period	Contribution
1	Low Option	30 Days	Employee 90 % Dependent 70 %
2	High Option	30 Days	Employee 86 % Dependent 66 %
Note: The Employer must pay a minimum of 50% of the Employee premium. This Group Contract may be terminated by Health Advantage if the Group fails to contribute the percentage of employees' premium specified above.			
Maximum Dependent Age 26			
Mandated Mental Health Parity: No			
Please Indicate whether a HRA, or mechanisms utilized to reduce the employee's portion of health plan costs, is either in place or planned to be purchased. No			
Rates offered for this plan are contingent on assertions submitted by the insurance applicant (or its agent) that there is no HRA or other funding mechanism in place, nor intent to purchase such an arrangement. Upon evidence to the contrary, the group health plan is subject to termination.			
Coinsurance In/Out:	20% / 40%	PCP/Specialist: \$20 / \$20	
Emergency Room:	\$100	Inpatient In-Network: \$0	
Inpatient Out-of-Network: 40%		Deductible In-Network: \$500/\$1000	
Deductible Out-of-Network: \$1500/\$3000			
In-Network Coinsurance Maximum: \$2000 / \$4000 <i>APD</i>			
Out-of-Network Coinsurance Maximum: \$8000 / \$10,000 <i>APD</i>			
Lifetime Maximum: Unlimited			
Preventive Health Services (PPACA required)			
Drug Coverage: \$7/\$25/\$50			
Based on actuarial review, this drug benefit option is creditable to the standard Medicare Part D prescription coverage.			
Optional Benefits:			
Blue Card			
Arkansas Mandated Offer Benefit Riders:			
You Must Elect or Reject Each Rider:			
TMJ - Reject*		Mental Health/Substance Abuse - Reject	
Hearing Aid - Reject			
*Rejection of the TMJ Benefit Rider means covered benefits provided to Covered Persons will <u>not</u> include temporomandibular joint disorders (TMJ) or craniomandibular disorders.			
Term Life and AD&D through US Able Life is not Provided			

RATES - NS 302X - WR 1/11

Four Tier Composite	Total Premium
Employee	\$294.30
Employee & Spouse	\$561.30
Employee & Child(ren)	\$494.80
Family	\$774.30

If there is an agent or broker involved in this coverage transaction they may receive compensation from Health Advantage, or one of its affiliates, for his or her services related to the placement of this coverage. Any such compensation is included in the premium paid by the covered person. For more information on the compensation involved in this transaction, please direct your inquiry to the agent or broker.

ATTESTATIONS

COBRA

Group health plans for employers with 20 or more employees on more than 50% of the business days in the previous calendar year are subject to Cobra. Employers are required to provide qualified beneficiaries an election period during which the beneficiary can elect to continue coverage under the guidelines. We offer the services of a vendor, "Ceridian", to assist you in administering Cobra (no additional cost).

Both full time and part time employees are counted to determine if a plan is subject to Cobra. Each part-time employee counts as a fraction of an employee, with the fraction equal to the number of hours worked divided by the number of hours used to determine full time status.

(Yes) (No) Under the governmental guidelines the group health plan is subject to Cobra, meeting the criteria for 20 or more employees.

(Yes) (No) If yes, do you wish to use the services of Ceridian?

If no, who will administer Cobra for you? _____

Grandfather Status - Our records indicate that your health plan continues to be grandfathered under the Patient Protection and Affordable Care Act (PPACA) due to the benefit plan you have selected for renewal. However, there may be other reasons why you could lose grandfathered status, including reducing the amount of contribution made to the plan on behalf of employees as defined by the Interim Final Rule, an excerpt from which follows below:

"A group health plan or group health insurance coverage ceases to be a grandfathered health plan if the employer or employee organization decreases its contribution rate towards the costs of any tier of coverage for any class of similarly situated individuals by more than 5 percentage points below the contribution rate on March 23, 2010."

Please confirm if you agree with the grandfathered status as indicated above.

Yes, I agree with the status as shown.

No, I disagree with the status as shown because _____

EMPLOYEE INFORMATION

MINIMUM NUMBER OF INSURED EMPLOYEES & MINIMUM PARTICIPATION REQUIREMENTS.

Under the Medicare Secondary Payer Rules, it is the Employer's responsibility to annually inform Health Advantage of proper employee counts for the purpose of determining payment priority between Medicare and Health Advantage. Health Advantage is required to furnish these counts to the Centers for Medicare and Medicaid Services (CMS).

Full-Time = means an active employee with a minimum of 30 hrs/week & 48 weeks/year

	In State	Out of State	Total
Full-Time Employees enrolling (including those satisfying their waiting period within 3 months after the effective date):	441	0	441
Full-Time Employees waiving (including those satisfying their waiting period within 3 months after the effective date):	21	0	21
COBRA Continuees (Enrolling):			2
Life ONLY Contracts:			
Total Enrolling and Waiving:			464
Part Time/Seasonal/Temporary Employees :			36
Total # of Employees:			490

Minimum Number of Insured Employees. To meet large group enrollment guidelines a group must have at least fifty-one full-time enrolled employees. Groups whose enrollment subsequently drops below fifty-one enrolled must be rated as a small group upon renewal.

Minimum Participation Requirements. If an employer pays 100% of the employee-only premium, 100% of all full-time employees must be insured. If an employer pays less than 100% of the premium, employees covered through other comprehensive major medical-type coverage may be waived from the eligibility count. 75% of all eligible employees without waivers must be insured, and no less than 50% of the full-time employees must enroll.

This Group Contract may be terminated by Health Advantage if the number of insured Employees falls below the minimum number of insured Employees specified above or if the percentage of eligible Employees of the Group covered by the Group Contract becomes less than the percentage of Employee participation specified above.

SIGNATURES

This Application is made and delivered in the State of Arkansas and is governed by the laws of Arkansas and the United States of America. This Application is incorporated in and made a part of the Group Contract and Evidence of Coverage.

I hereby renew the above referenced coverage and agree the group contract, subject to the terms and conditions of the policies renewed, will take effect as of the renewal date after approval, provided this application is approved by the home office of Health Advantage. I also understand that my signature below represents my agreement and acceptance of the premium rate schedule.

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in connection with an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

1. Group

Signed at CONWAY, AR, this 29th day of DECEMBER 2010
(City, State)

[full legal name of Policyholder]

By: *Tab Townsell*
Authorized Signature

TAB TOWNSELL
Printed Name

MAYOR, CITY OF CONWAY
Title or Position

2. Agent or Health Plan Authorized Representative

I hereby certify that all of the information contained in this employer application is correct to the best of my knowledge, and I know nothing unfavorable about this firm or any individual proposed for coverage (except as noted on the employee applications). I have complied with the underwriting rules and regulations and have explained in detail the coverage to the member firm and its employees including the preexisting condition limitations and the qualifications of the effective date provisions. I understand that Health Advantage will have no liability until this application has been approved.

Bentley Pew
Agent or Authorized Representative Signature

C20/320
Insurance License # / Agency Fed. Tax ID #

James Bentley Pew
Agent or Authorized Representative Printed Name

1/4/11
Date