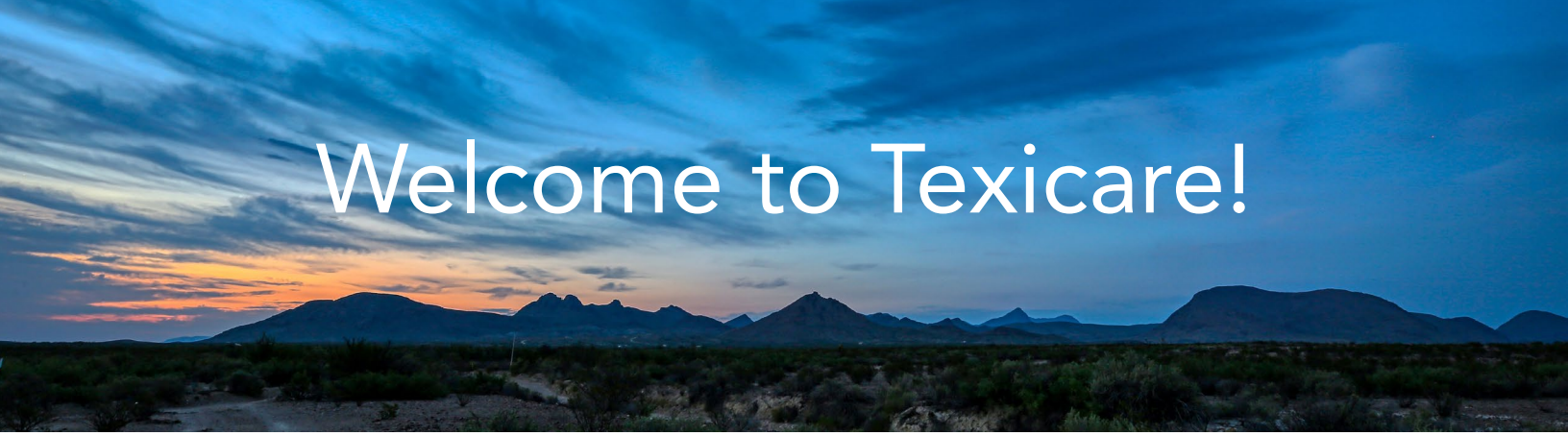
texicare

A Health Affiliate of Texas Mutual

Small Group Level-Funded Coverage

Employer Guide



Welcome to Texicare!

Thank you for selecting Texicare for your level-funded group health coverage!

This employer guide will help you understand and administer your group health coverage.

Throughout this guide we will instruct you to submit all changes to your coverage in writing, including submission by fax, email, mail or on our self-service website. There is no need to follow up by mail.

If you can't find the answers you need here, please call **(833) 257-7002** for a Texicare Client Services representative and we will be happy to assist you.

Access necessary documents and additional information on our website at www.texicare.com/employer or contact our Texicare Sales Team or a Client Services representative.

Trust is in our DNA.

Texicare is a health affiliate of Texas Mutual, who has been the leading workers' compensation provider in Texas for over 30 years. Texas Mutual has protected and cared for more than 76,000 businesses and 1.5M working Texans and their families. Creating Texicare is the logical - and enthusiastic - next step in their commitment to build a stronger, safer, healthier Texas.

NEW EMPLOYEE

What do I need to do right away for my new employee?

Have your employee complete an Employee Health Questionaire (EHQ) form on the date of hire. Regardless of your new employee waiting period, it is very important that an employee wanting coverage fill out this form on the date they are hired and submit it immediately to clientservices@texicare.com.

Waiting to fill out the form or not filling it out completely could delay your employee's start of coverage or cause them to be ineligible for coverage entirely.

We will process the new employee enrollment form promptly, but not bill for the new employee's coverage until they become effective.

What if my new employee doesn't want coverage?

Waivers must be completed for all eligible employees and/or dependents not enrolling for coverage on the EHQ or via the initial enrollment. Your employees failure to enroll for coverage or completing a waiver could jeopardize his or her future rights to coverage.

ELIGIBILITY

An eligible employee is directly employed and actively at work (including approved medical leave) on a full-time basis with regular periodic wages for service. Full-time is 30 hours per week unless otherwise specified.

Eligible dependents are any biological child, stepchild, legally adopted child, foster child or grandchild of an employee or his/her spouse, any child for whom an employee or his/her spouse is a court appointed legal guardian, or any child for whom an employee or his/her spouse is legally required to provide health benefit coverage pursuant to a QMCSO, and who has not reached the age of 26.

A grandchild is considered a dependent child only if the employee or his/her spouse has legal guardianship of the child, the child is primarily (at least 50%) dependent on the employee or his/her spouse and the child appears as a dependent on the employee's or his/her spouse and the child appears as a dependent on the employee's or his/her spouse's federal tax return.

An employee who previously declined coverage becomes eligible for coverage when they acquire a new dependent through marriage, birth, adoption or placement for adoption if the child is under 18 and if the employee applies for coverage within 31 days of the life event.

SELF-SERVICE WEBSITE

Can I access my account information online?

Yes. You should have completed a Self Service Website Account Authorization Form which allows anyone who has been authorized as an administrator by you to have access to the Self-Service Employer Portal to view your Texicare business, including employer information, employee coverage and benefits. If you didn't complete the Self Service Website Account Authorization form, it is available at: www.texicare.com/employer.

GROUP PARTICIPATION

A minimum participation of 50% of eligible employees or 75% after valid waivers. Any employee or dependent waiving coverage because of qualifying existing coverage is not counted. If, for any reason, your group falls below this minimum, you will have a fixed period of time in which to re-establish minimum participation requirements and avoid termination. See your Summary Plan Description for details.

GROUP CONTRIBUTION

A minimum contribution of the employee (EE) tier towards costs is required.

MONTHLY BILLING

Our billing notices are mailed around the 15th of the month prior to the month due and are due on the 1st of each month (with a 31-day grace period in which to pay). Each bill will show the current amount due, any charges or credits, and any past due amounts shown as "Unpaid Prior Month."

If this "Unpaid Prior Month" charge is not paid to Texicare within the prior month's 31-day grace period, coverage will lapse as of the due date for the unpaid month.

Premiums do not need to be sent for new applicants until you are billed. We will not bill for their coverage until the first month of coverage begins.

PAYMENT PROCESSING

The initial month's payment will be made via Electronic Funds Transfer (EFT) / automatic draft against your company checking account.

It is important that you complete Texicare's payment authorization form provided to you by our account team or by accessing it on the Texicare website at : www.texicare.com/employer.

Subsequent payments after the initial month's payment MUST be made by automatic draft against your company checking account. Auto drafts are processed on or around the 10th of the month they are due.

Any electronic funds transfer or auto draft returned by your bank as non-negotiable will be treated as if no payment has been made. Negotiable funds must be received within the grace period or coverage will lapse. Your account will be charged a fee if sufficient funds are not available when auto draft is processed.

What will happen if my payment is delayed?

You are given a 31-day grace period in which to pay your bill, however there are several things that may happen if you delay your payment.

If a doctor or hospital calls Texicare to verify your employee's coverage, the Client Services representative at Texicare may be required to disclose the group's paid-to date. If your payments are not current it may affect your employee's access to medical care.

Claims submitted for service dates within an unpaid month will be pended until your account is brought current. If payment isn't made by the end of the grace period, your coverage will lapse. If Texicare terminates this policy for non-payment of premium, application may be made for reinstatement.

1. All outstanding premiums, including the current month's premium, must be remitted by the end of the grace period.
2. Payment of premiums shall not guarantee reinstatement of this policy.
3. If this policy is terminated more than one time during a policy period for non-payment, no requests for reinstatement will be granted.

What if my coverage lapses?

Please contact Texicare immediately at 833-257-7002 if you receive a lapse notice. We will review any options you may have to retain your coverage.

CHANGES TO COVERAGE

When can I make changes to my group's benefits or coverage?

Employee waiting period*

Changes, additions or deletions can be made on any monthly due date provided we receive a written request prior to the requested effective date. Changes are subject to underwriting approval.

What if there is a change to my company name or address?

A company name change requires written notification signed by a company owner, officer or partner. A company address change also requires written notification at clientservices@texicare.com. When submitting this written notification, please include old and new addresses.

What if an employee wants to make a change? (Changes that do not involve the addition of a dependent)

Covered employees can submit a written request for a name change, deletion of dependent coverage, etc. by submitting a request in their member portal at www.texicare.com/member or by submitting a written request describing the action to be taken at clientservices@texicare.com.

Addition of dependents

A new spouse is eligible for coverage the first of the month following the date of marriage if a completed EHQ is received by Texicare within 31 days of the date of marriage. Please indicate the change that occurred and the date it occurred, such as date of marriage, adoption, etc.

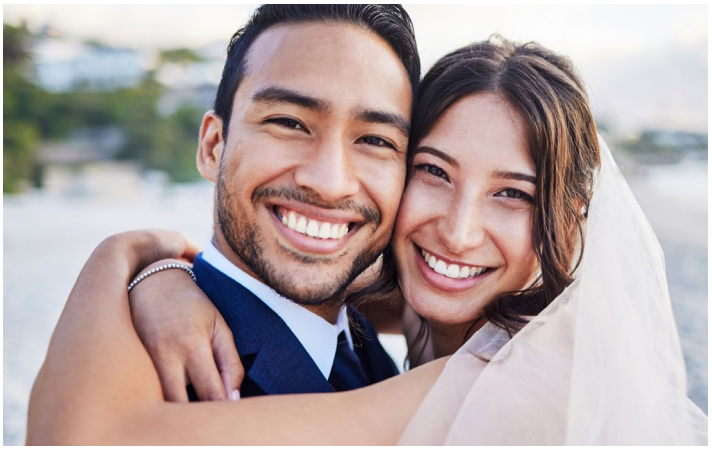
Children of the newly acquired spouse also may be eligible at this time.

A spouse also becomes eligible for coverage following the birth, adoption or placement for adoption of a dependent child if a completed EHQ is received by Texicare within 31 days of the birth, adoption or placement for adoption.

A newborn or newly adopted child is eligible for coverage from the day of birth or adoption if an EHQ is received by Texicare within 31 days of the birth or adoption.

** Changes apply only to employees hired after the change date.*

*** Your health plan may not have all these options available. Please contact your agent or Texicare's Client Services team with questions about potential changes.*



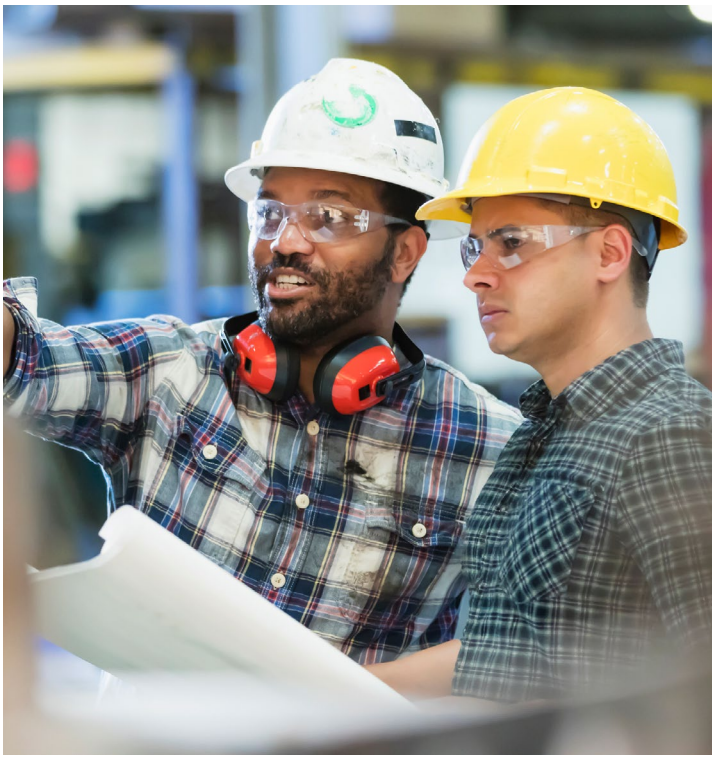
TERMINATION

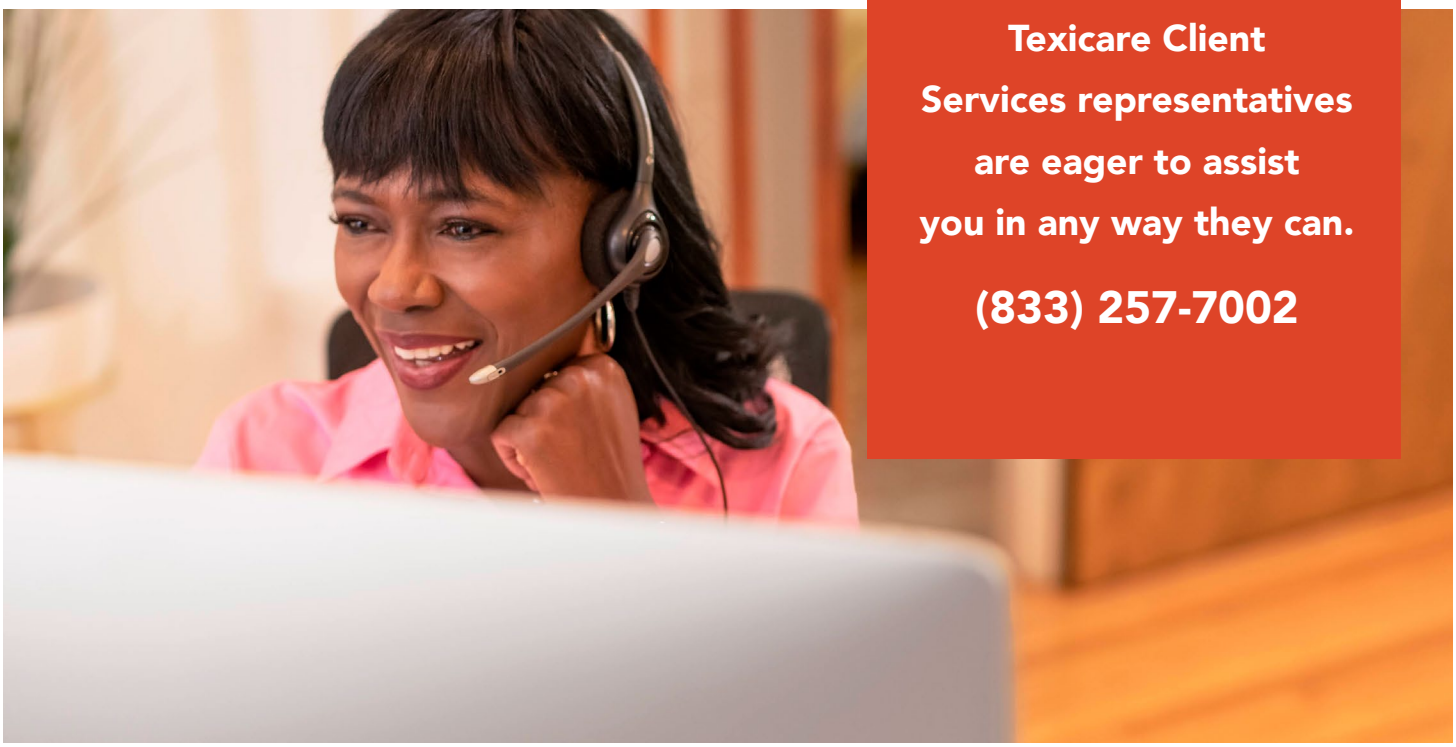
How do I terminate an employee or dependent's coverage?

1. Submit a request to terminate an employee or dependent through your Employer Portal at www.texicare.com/employer or submitting written request via email at clientservices@texicare.com. The request should include the full name of the employee or dependent, description of the change requested (i.e. termination) and the date of the change (i.e. date employee last worked or date employee requested termination of a covered dependent). If employee coverage is canceled, but the employee is still working with your company, please have them complete a waiver.
2. Deduct the current monthly charge only if the employee terminates prior to the current month's billing cycle and prior to the "coverage from" date on your billing statement.

If an employee worked even one day of the month, your plan requires that coverage MUST be paid for the employee that month. Therefore, if an employee is terminating, notify Texicare by submitting the termination request within your employer portal at www.texicare.com/employer in the last month they work, give the date terminated, but do not take a deduction for that month. Please note that Texicare will terminate group coverage if payment hasn't been made within 30 days of the current coverage month.

TIP: **For faster service, send Texicare an email notification of termination at clientservices@texicare.com.**





Texicare Client Services representatives are eager to assist you in any way they can.

(833) 257-7002

Should I adjust my billing for adding or terminating employees or dependents?

DO NOT adjust your billing if you are terminating a dependent. Texicare will automatically extend credit due on the next bill processed after the effective date of the change.

DO NOT pay for the addition of employees or dependents until you are billed by Texicare.

Can coverage continue through a leave of absence?

Yes, coverage may be continued during any period the employee is absent from active, full-time work due to an injury or illness. The length of absence is determined by the employer's established leave of absence provision.

Coverage can also be continued during a temporary layoff up to three months. Monthly costs must be paid during this time. Please send written notification to Texicare immediately after granting any leave by sending email to clientservices@texicare.com.

Can coverage continue after an employee is terminated?

The continuation of coverage provisions under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires some employers** to offer covered employees and dependents continuation of their group health care coverage for a specified period of time if coverage is terminated due to certain qualifying events.

In no event will the COBRA continuation period extend beyond 36 months, even though more than one qualifying event has occurred. If more than one qualifying event occurs, the duration of the continuation period will be measured from the date of the initial qualifying event. See the qualification chart for certain COBRA events and continuation periods on the following page.

The Tax Equity and Fiscal Responsibility Act (TEFRA) requires employers*** to offer any working employees age 65 and over the same medical benefits available to employees under age 65. The employee must be given the opportunity to elect either the Texicare group health plan or Medicare as their health benefit payor.

Texicare cannot be the secondary payor to Medicare for TEFRA employers. If you choose Texicare as your primary plan, you will be eligible to receive claim reimbursement from Medicare as a secondary payor for eligible Medicare benefits for those eligible charges that were not paid by the Texicare plan.

Please contact Texicare for the proper age-65-and-over rates and guidelines.

*** COBRA applies only to employers who have employed 20 or more employees on at least 50% of the working days in the previous year.*

**** TEFRA applies only to employers who have employed 20 or more employees on at least 50% of the working days for the proceeding 26 weeks for the period you are in.*

COBRA QUALIFICATION CHART

QUALIFYING EVENT	QUALIFYING BENEFICIARY	MAXIMUM CONTINUATION PERIOD
Termination of the covered employee's employment (other than for gross misconduct) or reduction in hours	Covered employee, covered dependent spouse and/or their children	**18 Months***
Death of the covered person	Covered dependent spouse and/or children	**36 Months**
Divorce or legal separation of the covered employee from spouse	Covered dependent spouse and/or their children	**36 Months**
Covered employee becomes entitled to Medicare while continuing coverage under COBRA	Covered dependent spouse and/or their children	**36 Months**
The covered dependent child ceases to be an eligible dependent under the terms of the employer's group health plan	Covered dependent child	**36 Months**

**Coverage may be extended from 18 months up to a maximum of 29 months if the qualified individual is determined by the Social Security Administration to have been totally disabled within the first 60 days after COBRA continuation coverage begins.*

COBRA Administrative Services

Texicare provides COBRA Administrative Services to our Small Group Level Funded clients with 20 or more employees. These services include but aren't limited to:

- Qualifying Event notices to those with who have a qualifying life event during the coverage period
- Notification of contribution amounts
- Processing of election notices
- Billing and contribution collection
- Prior notification of upcoming benefit expiration
- Reporting and tracking of eligibility and payments

In order for Texicare to provide these administrative services on your behalf, you must provide the written notification to Texicare as outlined in the Administrative Services Agreement.

Prior Authorization

Your employees, their covered dependents or their network provider must call the toll-free number on the back of your ID card to obtain Prior Authorization seven (7) days prior to an inpatient admission or specified outpatient service or within two (2) business days following an emergency admission. A medical review specialist will obtain all pertinent details during the call. The services that require prior authorization are listed on the Texicare website at www.texicare.com/provider.

The list is subject to change.

COVERAGE

Your EPO Plans

You have selected to provide coverage to your employees and their covered dependents through Texicare. The network associated with your plan(s) is shown in the upper right corner of the member identification card that is sent to your employees with their welcome letter. For information on specific facilities and physicians in the network, you and your employees and their covered dependents can access the network provider search by going to www.texicare.com and clicking on Find A Doctor at the top of the page. It will take you to a new page where you will simply enter your zip code to find providers in your network. You can also call our service team at (**833) 257-7002** for help.

Members should always confirm with their medical provider that they are part of the network before seeking treatment. Participating providers change frequently, and the inclusion of the employee or covered dependent's provider does not guarantee their current participation.

Prescription Drug Coverage

Your plan includes a prescription drug benefit provided by the Pharmacy Benefits Manager (PBM), there is no need to submit a prescription claim when using a participating pharmacy. An employee or covered dependent simply presents their ID card at the pharmacy to access their prescription drug benefit.

CLAIM FILING

When should my employees file a claim?

A claim should be filed when a covered employee or dependent incurs medical expenses that are eligible for coverage.

How do my employees file a claim? (Medical claims)

The original fully itemized bill from the medical provider must be sent to the address shown on the member ID card. In most cases claims are sent for repricing to provide you with contracted discounts for your medical care. Most medical providers submit claims directly as a courtesy to the patient. Encourage your employees to present their ID card every time they seek care from their network provider(s).

CONTACT INFORMATION

CLIENT SERVICES

PHONE:: (833) 257-7002

EMAIL: clientservices@texicare.com

FAX: (913) 945-4392

PAYMENTS:

MONTHLY PAYMENT

TEXICARE
P.O. BOX 2918
SHAWNEE MISSION, KS
66201-1318

CLAIMS

To file a claim, please mail to:

CLAIMS DEPARTMENT

TEXICARE
P.O. BOX 2918
SHAWNEE MISSION, KS
66201-1318

EMAIL: claims@texicare.com

FAX: (913) 945-4392

UNDERWRITING

New employee, benefit changes, etc

UNDERWRITING & ADMINISTRATIVE SERVICES

TEXICARE
P.O. BOX 2918
SHAWNEE MISSION, KS
66201-1318

EMAIL: underwriting@texicare.com

FAX: (913) 945-4392

Covered individuals can access our self-service website at texicare.com/member to view their account online.