

MASTER GROUP APPLICATION

Application is hereby made for Coverage as set forth in the attached BlueChoice[®] HealthPlan of South Carolina, Inc. Contract as stated on this Master Group Application.

EMPLOYER INFORMATION

FULL LEGAL NAME OF EMPLOYER:

PHYSICAL ADDRESS OF EMPLOYER:

MAILING ADDRESS OF EMPLOYER:

(if different)

EMPLOYEE AND DEPENDENT INFORMATION

CLASSIFICATION OF ELIGIBLE EMPLOYEES:

All full-time, active Employees working at least 30 hours a week at least 48 weeks a year. To be considered Actively at Work, the Employee must not be absent from work because of leave of absence or temporary lay-off, unless the absence is due to a Health Status-Related Factor. If the Employee does not meet this requirement, Coverage will begin on the first day of the month corresponding with the Contract Effective Date after the requirement is met.

PERIOD OF CONTINUOUS EMPLOYMENT AS PRE-REQUISITE TO ELIGIBILITY:

Coverage for new Employees hired following the Contract Effective Date will commence on the first date of the month corresponding with the Contract Effective Date following _____ days of employment.

This Waiting Period may not be waived for individual Employees. The group may waive the Waiting Period only for Employees during the initial enrollment of the new group. All eligible Employees must be offered Coverage.

Waiting Period options are:

- ♦ Groups with 2 to 6 Employees, the Waiting Period must be 90 or 180 days.
- ♦ Groups with 7 to 19 Employees, the Waiting Period can be 30, 60, 90, or 180 days.
- ♦ Groups with 20 to 50 Employees, the Waiting Period can be 30, 60, 90, 180, or 365 days.

Note: The Waiting Periods of 180 days and 365 days are available for groups with high Employee turnover such as hotels, restaurants, etc.

CLASSIFICATION OF ELIGIBLE DEPENDENTS:

An eligible Dependent is: 1) the Subscriber's legal spouse; or 2) the Subscriber's natural child, adopted child, foster child, step child, or child for whom the Subscriber has legal custody or legal guardianship and who is under 26 years of age.

BENEFIT PROVISIONS

PRE-EXISTING CONDITIONS LIMITATIONS AND OTHER WAITING PERIODS:

THIS SECTION ONLY APPLIES TO PERSONS WHO ARE 19 YEARS OF AGE OR OLDER

Important Note: Persons who are under 19 years of age will not be subject to the Contract's Pre-existing Condition exclusion, if any. Transitional Rules: A Covered Person under age 19 who was subject to the Pre-existing Condition exclusion prior to the first day of the first Benefit Period beginning on or after September 23, 2010, will no longer be subject to that exclusion as of the first day of the first Benefit Period beginning on or after September 23, 2010.

1. Any services or charges for services for Pre-existing Conditions are not covered under this Contract when the treatment relates to a physical or mental condition for which medical advice, diagnosis, care or treatment was recommended or received within the 6-month period prior to the Enrollment Date.
2. The Pre-existing Condition Exclusion lasts until the earlier of:
 - A. The Member has not received medical care, treatment or supplies for the Pre-existing Condition for 12 months and that period of 12 months ends sometime after the Effective Date of coverage; or
 - B. 12 months after the Enrollment Date.

In the case of a Late Enrollee, the Pre-existing Condition Exclusion begins on the Enrollment Date and lasts for 18 months.

3. Creditable Coverage, which is calculated on a day-by-day basis, can reduce or eliminate the Pre-existing Condition Exclusion.
4. A period of Creditable Coverage does not count if there is at least a 63-day period where the Employee or Dependent was not covered under any Creditable Coverage.
5. Any period that an Employee or Dependent is in a Waiting Period under a Group Health Plan, or is in an affiliation period, may not be taken into account in determining the 63-day period.
6. The Pre-existing Condition Exclusion does not apply to pregnancy if maternity benefits are offered with this Contract or to Genetic Information in the absence of a diagnosis of the condition related to the information.
7. The Pre-existing Condition Exclusion does not apply to a newborn child, a child who is adopted or placed with an Employee or Employee's spouse for the purpose of adoption before he or she reaches age 18 if the Employee applied for coverage and premiums were paid within 31 days from the birth, adoption or placement for adoption.

PARTICIPATION REQUIREMENTS

Total Full-time Eligible Employees	Participation Required
2 – 3	No waiver
4 – 7	1 waiver
8 – 12	3 waivers
13 – 16	4 waivers
17 – 19	6 waivers
20 +	60 percent of total, full-time eligible employees

EMPLOYER’S SIGNATURE

Effective date of coverage under this application shall be 12:01 a.m., Eastern Time on the **(circle one) first / fifteenth** day of _____, 20____, at the address indicated above. Such Coverage will continue until terminated in accordance with the provisions of the Contract between the Employer and the Corporation. It is understood and agreed that the Employer shall cause to be paid to the Corporation, in advance, the Premium specified in Schedule A of the Contract. This Premium is made on behalf of the Employer’s Employees who meet the eligibility requirements specified in this application and who elect to be Covered by the Corporation. This application shall form part of the Contract issued by the Corporation.

The Employer may accept this Contract either by signature of this Master Group Application or by making the required Premiums to the Corporation. Such acceptance renders all terms and provisions hereof binding on the Corporation and the Employer.

BLUECHOICE[®] HEALTHPLAN OF SOUTH CAROLINA, INC.

By: _____
(Authorized Signature)

By: _____
(Authorized Signature)

Title: _____

Title: President and Chief Operating Officer

Date: _____

Date: _____

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DEFINITIONS

The terms defined below shall have their defined meaning whenever they are capitalized in this Master Group Application or in the Master Group Contract.

Contract Effective Date – the date the Coverage goes into effect.

Creditable Coverage - coverage of an individual under any of the following:

1. A Group Health Plan;
2. Health Insurance coverage;
3. Medicare;
4. Medicaid, other than coverage having only benefits under Section 1928;
5. Military, TRICARE OR CHAMPUS;
6. A medical care program of the Indian Health Service or of a tribal organization;
7. A state health benefits risk pool, including the South Carolina Health Insurance Pool (SCHIP);
8. The Federal Employee Health Benefits Program;
9. A public health plan (any plan established or maintained by a State, the U.S. government, a foreign country or any political subdivision of a State, the U.S. government, or a foreign country that provides health coverage); or
10. A health benefit plan under the Peace Corps Act.
11. Short term health; or
12. A State Children's Health Insurance Program (S-CHIP).

Creditable Coverage does not include coverage consisting solely of those benefits excepted from the definition of Health Insurance Coverage.

Enrollment Date - the date of enrollment under the Group Health Plan or, if earlier, the first day of the Waiting Period for the enrollment.

Late Enrollee - an eligible Employee or Dependent who enrolls in Carolina Advantage other than during:

1. the first period in which the Employee or Dependent is eligible to enroll under the plan if the initial enrollment period is a period of at least 30 days; or
2. a Special Enrollment period.

Late Enrollees may be excluded from coverage for up to 12 months; then have a six month Pre-existing Condition limitation.

Special Enrollment Period – a period of time when an Employee who is eligible but not enrolled for Coverage under the terms of the Contract, or a dependent of the Employee if the dependent is eligible but not enrolled for Coverage under the terms, may enroll for Coverage during a Special Enrollment Period.

To be eligible to participate in a Special Enrollment Period, each of the following four conditions must be met.

1. The Employee or dependent was covered under a group health plan or had Health Insurance Coverage at the time Coverage was previously offered to the Employee or dependent; and
2. The Employee stated in writing at the time that coverage under a group health plan or Health Insurance Coverage was the reason for declining enrollment, but only if the Corporation required such a statement at the time and provided the Employee with notice of the requirement and the consequences of the

requirement at the time.

3. The Employee's or dependent's coverage:
 - A. was under a COBRA continuation provision and the coverage under the provision has exhausted;
or
 - B. was not under such a provision and either the coverage was terminated as a result of loss of eligibility for the coverage, including as a result of legal separation, divorce, death, termination of employment, or reduction in the number of hours of employment, or employer contributions toward the coverage were terminated;
 - C. was one of multiple health insurance plans offered by an employer and the employee elects a different plan during an open enrollment period.
4. Under the terms of the plan, the Employee requests the enrollment not later than 30 days after the date of exhaustion of coverage described in 3 A above or termination of coverage or employer contribution described in 3 B above.

The following applies to a Dependent Special Enrollment Period.

5. If a group health plan makes coverage available with respect to a dependent of an individual, the individual is a participant under the plan, or has met any Waiting Period applicable to becoming a participant under the plan and is eligible to be enrolled under the plan but for a failure to enroll during a previous enrollment period, and the person becomes a dependent of the individual through marriage, birth, or adoption or placement for adoption, the health insurance issuer offering Health Insurance Coverage in connection with the group health plan shall provide for a Dependent Special Enrollment Period during which the person may be enrolled under the plan as a Dependent of the individual and in the case of the birth or adoption of a child, the spouse of the individual may be enrolled as Dependent of the individual if such spouse is otherwise eligible for coverage.
6. A Dependent Special Enrollment Period must be not less than 31 days and begins on the later of:
 - A. the date dependent Coverage is made available; or
 - B. the date of the marriage, birth, or adoption or placement for adoption.
7. If an individual seeks to enroll a dependent during the first 31 days of a dependent Special Enrollment Period, the Coverage of the dependent shall become effective:
 - A. in the case of marriage, not later than the first day of the first month beginning after the date the completed request for enrollment is received.
 - B. in the case of a dependent's birth, or a dependent's adoption or placement for adoption, within 31 days of birth, as of the date of the birth; or
 - C. in the case of a dependent's adoption or placement for adoption beyond 31 days from the date of birth, the date of the adoption or placement for adoption.
8. A dependent spouse or minor dependent or dependent child of an Employee, if the dependent is eligible, but not enrolled for Coverage, shall be permitted to enroll under a Dependent Special Enrollment Period, under the terms of this plan if a court has ordered that Coverage be provided for the dependent under a Member's health insurance plan and a request for enrollment is made within 30 days after the issuance of the court order.