

Washington Small Group Composite Billed Premium Employer Election Form

Company name

Effective date

Group number

As required by the Affordable Care Act (ACA), Kaiser Foundation Health Plan of the Northwest must calculate rates for small group fully insured plans on member level community rating by class. Under ACA rules, rates may vary by enrollment type (individual vs. family), geographic area, age and tobacco use. However, depending on state law, small group employers may request composite rates calculated from individual member rates.

Washington State's Office of the Insurance Commissioner (OIC) has approved an alternative premium billing method for small groups using two composite tiers for the following member level age brackets; 0-20, 21+. This option is referred to as the Small Group Composite Billed Premium election. Employers may now choose, before the contract effective date, to be billed using either member level rates (MLR) or composite tiered rates. At the start of the contract year, the total monthly premium is the same under either method.

If composite billing is elected, the employer agrees that rate tier values will be based on the total member level premium as of the effective date and remain unchanged for the entire contract period, regardless of demographic changes (e.g., employees added to or removed from the plan midyear). All family members 21 and over are included in the total premium, but only the three oldest dependent children under 21 are included in the rate with charges reflected on the billing statement. Once selected, the billing method cannot be changed until the next contract renewal.

I hereby elect the Composite Billed Premium methodology.

Authorizing signature

X

Signature

Current employer contact (print)

Date

For new groups SUBMIT THIS FORM TO:

Email: NW.Small.Business@kp.org

Fax: (877) 601-2475

For renewing groups SUBMIT THIS FORM (along with other renewal docs) TO:

Email: Small.Group.Respond@kp.org

Fax: (877) 237-5548