

State: Arkansas **Filing Company:** USABLE Life
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.001C Any Size Group - Other
Product Name: Group Health Policy Amendment and Employer Applica
Project Name/Number: GRP- Group/AR000960100015

Filing at a Glance

Company: USABLE Life
Product Name: Group Health Policy Amendment and Employer Applica
State: Arkansas
TOI: H16G Group Health - Major Medical
Sub-TOI: H16G.001C Any Size Group - Other
Filing Type: Form
Date Submitted: 09/06/2012
SERFF Tr Num: LSVX-G128670582
SERFF Status: Closed-Approved-Closed
State Tr Num:
State Status: Approved-Closed
Co Tr Num: AR000960100015

Implementation: 09/06/2012
Date Requested:
Author(s): SPI Life and Specialty Ventures
Reviewer(s): Rosalind Minor (primary)
Disposition Date: 09/10/2012
Disposition Status: Approved-Closed
Implementation Date:

State Filing Description:

State: Arkansas **Filing Company:** USABLE Life
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.001C Any Size Group - Other
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General Information

Project Name: GRP- Group Status of Filing in Domicile:
Project Number: AR000960100015 Date Approved in Domicile:
Requested Filing Mode: Review & Approval Domicile Status Comments:
Explanation for Combination/Other: Market Type: Group
Submission Type: New Submission Group Market Size: Small and Large
Group Market Type: Employer, Employer, Employer Overall Rate Impact:
Filing Status Changed: 09/10/2012 Deemer Date:
State Status Changed: 09/10/2012 Submitted By: SPI Life and Specialty Ventures
Created By: SPI Life and Specialty Ventures
Corresponding Filing Tracking Number:

PPACA: Not PPACA-Related

PPACA Notes: null

Filing Description:

Attached please find forms 42-63 1/13 and 43-11 R08/12 for your review and approval if indicated.

Form 43-63 provides an optional embedded deductible and coinsurance provision. In this revised application, 43-11, we have changed the COBRA language as well as included the embedded deductible and coinsurance feature for HSA's.

Also attached is a Flesch Reading Ease score certification signed by an officer of the company as required by Arkansas Code Annotated §23-80-206(d).

I certify that the submission meets the provisions of Arkansas Insurance Department Rule & Regulation 19.

I certify that the Life and Health Guaranty Association Notices required by Arkansas Insurance Department Rule & Regulation 49 are incorporated in the benefit certificates to which this amendment will be attached.

I further certify that the Life and Health Guaranty Association Notices required by Arkansas Insurance Department Rule & Regulation 49 and the consumer information notice required by Arkansas Code Annotated §23-79-138 are incorporated in the benefit certificate to which this amendment is attached.

Please feel free to contact Evelyn Laney at 378-2165 with any questions you may have.

Company and Contact

Filing Contact Information

Rob Wittenburg, Compliance Supervisor rwittenburg@usablelife.com
PO Box 1650 501-212-8877 [Phone] 8877 [Ext]
Little Rock, AR 72203-1650 501-235-8484 [FAX]

State: Arkansas **Filing Company:** USable Life
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.001C Any Size Group - Other
Product Name: Group Health Policy Amendment and Employer Applica
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Filing Company Information

USable Life	CoCode: 94358	State of Domicile: Arkansas
PO Box 1650	Group Code: 876	Company Type: Life & Health
Little Rock, AR 72203-1650	Group Name: Life and Speciality	State ID Number:
(501) 375-7200 ext. [Phone]	Ventures (LSV)	
	FEIN Number: 71-0505232	

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: \$50 per form x 2 forms = \$100
 Per Company: No

Company	Amount	Date Processed	Transaction #
USable Life	\$100.00	09/06/2012	62315298

State: Arkansas Filing Company: US Able Life
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.001C Any Size Group - Other
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	09/10/2012	09/10/2012

SERFF Tracking #:

LSVX-G128670582

State Tracking #:**Company Tracking #:**

AR000960100015

State: Arkansas **Filing Company:** US Able Life
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.001C Any Size Group - Other
Product Name: Group Health Policy Amendment and Employer Applica
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Disposition

Disposition Date: 09/10/2012

Implementation Date:

Status: Approved-Closed

HHS Status: HHS Approved

State Review: Reviewed-No Actuary

Comment:

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification	Approved-Closed	Yes
Supporting Document	PPACA Uniform Compliance Summary	Approved-Closed	Yes
Supporting Document	Application	Approved-Closed	Yes
Form	Embedded Deductible and Coinsurance Option Amendment	Approved-Closed	Yes
Form	Employer Application	Approved-Closed	Yes

State: Arkansas **Filing Company:** US Able Life
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.001C Any Size Group - Other
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Form Schedule

Lead Form Number: 42-63 1/13

Item No.	Schedule Item Status	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments
1	Approved-Closed 09/10/2012	42-63 1/13	CERA	Embedded Deductible and Coinsurance Option Amendment	Initial:	40.500	42-63 1-13 Embedded Deductible Coinsurance Option.PDF
2	Approved-Closed 09/10/2012	43-11 R08/12	AEF	Employer Application	Revised: Replaced Form #: 43-11 R04/12 Previous Filing #: LSVX- G128283080	40.500	43-11 R08-12US Able Life AR.PDF

Form Type Legend:

ADV	Advertising	AEF	Application/Enrollment Form
CER	Certificate	CERA	Certificate Amendment, Insert Page, Endorsement or Rider
DDP	Data/Declaration Pages	FND	Funding Agreement (Annuity, Individual and Group)
MTX	Matrix	NOC	Notice of Coverage
OTH	Other	OUT	Outline of Coverage
PJK	Policy Jacket	POL	Policy/Contract/Fraternal Certificate
POLA	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	SCH	Schedule Pages



**AMENDMENT TO THE
USABLE LIFE
COMPREHENSIVE MAJOR MEDICAL
GROUP BENEFIT CERTIFICATES**

**AMENDMENT NO. 42-63
EMBEDDED DEDUCTIBLE AND COINSURANCE OPTION**

PROVIDER NETWORK AND COST SHARING PROCEDURES, Subsection 5.2.1 is hereby amended to read as follows.

Deductible. Each calendar year, before the Plan makes a benefit payment, a Covered Person must pay the cost of a covered service equal to the Calendar Year Deductible specified in the Schedule of Benefits. The Deductible may be adjusted annually for inflation each January 1, in accordance with the provisions of §223 of the Internal Revenue Code of the United States of America as amended, so that (a) the Benefit Certificate will meet the minimum deductible requirements for a High Deductible Health Plan or (b) the Employee will be able to make the maximum allowable contribution to a Health Savings Account ("HSA"). If the Plan provides family coverage, and the Schedule of Benefits specifies a dollar amount for Family Calendar Year Deductible, once one family member meets the Individual Calendar Year Deductible and the remaining family members accumulate charges equal to the dollar amount specified for Family Calendar Year Deductible, no further Deductible will be required for the balance of the year, regardless of what member of the family incurs the claim.

PROVIDER NETWORK AND COST SHARING PROCEDURES, Subsection 5.2.2.a.ii. is hereby amended to read as follows.

If the Plan provides family coverage (coverage other than individual coverage), all the Covered Persons in the family will meet the Calendar Year Coinsurance Maximum once one member of the family incurs Allowable Charges for services and supplies from Preferred Providers that equal or exceed the Individual Calendar Year Coinsurance Maximum specified in the Schedule of Benefits and one or more of the remaining family members incur Allowable Charges that results in the family total Allowable Charges equal to or exceeding the Family Calendar Year Coinsurance Maximum specified in the Schedule of Benefits.

This Amendment becomes a part of the USABLE Life Managed Benefits Comprehensive Major Medical Group Benefit Certificates. All other provisions of the Group Benefit Certificate remain in full force and effect.

A handwritten signature in black ink, appearing to read "Jason Mann", is written over a horizontal line.

Jason Mann, President

USABLE Life
Group Health Division
[PO Box 1151, 320 West Capitol, Suite 500
Little Rock, Arkansas 72203]



EMPLOYER APPLICATION
[TRUST PARTICIPATION AGREEMENT]
[MY ENROLLMENT]

[Renewal] APPLICATION by:

(hereinafter called "Policyholder")

for a Group Policy covering the employees of the Policyholder and the eligible dependents of such employees. The Policyholder intends hereby to establish and maintain an employee benefit plan (the "Plan") for the Policyholder's employees and eligible dependents, to contribute to the cost of the Plan, and to actively promote the Plan to the Policyholder's employees.

[SECTION 1.] GROUP INFORMATION

Legal Name of Business:

D/B/A:

Street Address:

City, State, Zip

County:

Mailing Address: (if different from Street)

City, State, Zip

Telephone #:

Fax #:

Fed. Tax I.D. #:

Exec. Contact:

E-Mail:

Group Administrator:

E-Mail:

Primary SIC Code:

SIC Description:

Business Type: [Sole Proprietorship] [Legal Partnership] [Corporation] [Government Entity]

Agent:

Agent's Lic#:

Agent's Company

Agent's Tax Id:

[SECTION 2.] POLICYHOLDER AS PLAN ADMINISTRATOR

The Policyholder, as Plan Administrator, assumes responsibility for the accuracy of information presented to USABLE Life, 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 Policyholder 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 USABLE Life may cancel or rescind this Group Policy. The Policyholder further agrees that if misrepresentations or false or misleading information is presented in filing of any claims hereunder ("improper claims"), USABLE Life may cancel or rescind the coverage of any individual involved in presenting such a claim. Further, USABLE Life may cancel or rescind the entire Group Policy if the Policyholder or any representative of the Policyholder knew or should have known of the improper claims, or if the Policyholder's action or inaction contributed to presentation of improper claims.

[SECTION 3.] BENEFIT SELECTION

[CARVE-OUT HSA - USABLGH]

Employers may select an HSA benefit option for one class of employees and pair it with PPO benefit option for any other class of employees.

REQUESTED EFFECTIVE DATE, PENDING APPROVAL IS: _____

Effective Date is [first of the month] [fifteenth of the month] following the Waiting Period

[Is Waiting Period for Initial Enrollment Waived? [Yes] [No]]

[Date of Open Enrollment _____]

[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		
		[0 – 12 months] [Other]	PPO Employee	% Dependent	%
			HSA Employee	% Dependent	%

Note: The Employer must pay a minimum of 50% of the Employee premium. This Policy may be terminated by the company if the Policyholder fails to contribute the percentage of Employees' premium specified above.

Maximum Dependent Age [26-27]

Mandated Mental Health Parity [Yes] [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. [Yes] [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.

[HSA]

[Annual HSA Contribution by Tier:]

Employee Only: _____ Employee/Spouse: _____ Employee/Child: _____ Family: _____

HSA Contribution Frequency: [Annual] [Monthly] [Semi-Monthly]

Deductible

Individual In-Network: [\$1,200* - \$6,000] [Aggregate-Embedded] Family In-Network: [\$2,400*-\$10,800]

Individual Out-of-Network: [\$2,400 - \$10,800] [Aggregate-Embedded] Family Out-of-Network: [\$4,800-\$21,600]

Coinsurance

In-Network: [80% - 100%] Out-of-Network: [60% - 80%]

Calendar Year Coinsurance Max:

Individual In-Network: [\$0 - \$10,000*] [Aggregate-Embedded] Family In-Network: [\$0 - \$20,000*]

Individual Out-of-Network: [\$8,000 – Unlimited] [Aggregate-Embedded] Family Out-of-Network [\$16,000 – Unlimited]

**Adjusted annually for inflation each January 1, in accordance with the provisions of §223 of the Internal Revenue Code of the United States of America as amended.*

Lifetime Maximum: Unlimited

Wellness: [Traditional][Declined][Health Care Reform]

Optional Benefits: Maternity[Elected] [Declined] [Air Ambulance 10,000]

Drug Coverage: [Standard Formulary-Subject to Deductible & Coinsurance] [HSA Preventive RX List]

[Essential Care Formulary-Subject to Deductible & Coinsurance]

[Value Formulary-Subject to Deductible & Coinsurance] [No Coverage]

Based on actuarial review, this drug benefit option [is] [is non-] creditable to the standard Medicare Part D prescription coverage.

ARKANSAS MANDATED OFFER BENEFIT RIDERS:

You Must Elect or Reject Each Rider

Mammography [Elect][Reject] [Substance Abuse [Elect][Reject] [Psychiatric Condition [Elect][Reject]]

TMJ* [Elect][Reject] [Hearing Aid [Elect][Reject]] [Mental Health Parity [Elect][Reject]]

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

[SECTION 3.] BENEFIT SELECTION (CONTINUED)

[Life, AD&D and STD Coverage][\$15,000-\$500,000 Group Life and AD&D] [STD [1-15/4 -15/13 -26] [\$50-\$1500 Flat] [Other]] * [None]]

**Must have life coverage to be eligible for STD.*

[Life and AD&D benefits reduce 33 1/3 % of the pre-age 65 amount at age 65 and 70, and terminate at retirement. An employee must be actively at work on his effective date for his life and AD&D insurance to take effect. STD coverage is non-contributory and requires 100% participation to meet eligibility guidelines.]

[Term Life and AD&D through USABLE Life is not provided]

[Rates]

If there is an agent or broker involved in this coverage transaction they may receive compensation from USABLE Life, 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.

[PREFERRED PROVIDER ORGANIZATION (PPO)]

Deductible:	[\$50 - \$5,000]	[Deductible Carryover [Yes / No]]
Family Deductible:	[2 - 3] per family	Basis: [Accumulated – Fulfillment]
Coinsurance:	[90%-70% / 70%-50%]	
In-Network Calendar Year Out-of- Pocket Max:	[\$200 - \$10,000] [Other]	
Family Calendar Year Out-of-Pocket Max:	[2 - 3] per family	Basis: [Accumulated – Fulfillment]
Out-of-Network Calendar Year Out-of-Pocket Max:	[\$400 - \$20,000] [Unlimited]	
Lifetime Maximum:	Unlimited	

Wellness: [Traditional][Declined][Health Care Reform]

Prescription Drug Rider Plan: [2 Tier Copay Plan [\$3-\$20 / \$10-\$20]] [3 Tier Copay Plan [\$3-\$20 / \$10-\$75 / \$10-\$100]] [3 Tier Copay + Coins Plan [\$3-\$20 / \$10-\$40 / \$10-\$60 + 20%]] [4 Tier Copay Plan [\$3-\$20/\$10-\$75/\$10-\$100/\$10-\$200]] [4 Tier Copay Plan [\$3-\$20/\$10-\$100/\$10-\$200/100%]]

[Mail Order Drug [30 -102 day supply] [1, 2, 3 Copayments]] [Deductible + Coins Plan: Ded [\$25-\$50-\$75-\$100][Other] Coins:[Medical [90/70][80/60]+20%] [70/50] + 30%]] [None] [Other][Value Formulary] [Standard Formulary]

Based on actuarial review, this drug benefit option [is] [is non-] creditable to the standard Medicare Part D prescription coverage.

PPO Optional Benefits:

[Office Visit Copayment [\$20 - \$30] [None]]	Maternity [Elected] [Declined]
[Primary/Specialty Office Visit Copayment [\$20/\$40-\$40-\$100]]	Supplemental Accident Endorsement [Elected] [Declined]
[ER Copayment [\$50 - \$500]]	[Air Ambulance \$10,000]

Arkansas Mandated Offer Benefit Riders:

You Must Elect or Reject Each Rider

Mammography [Elect] [Reject] [Substance Abuse [Elect] [Reject]] [Psychiatric Condition [Elect] [Reject]]
 TMJ* [Elect] [Reject] [Hearing Aid [Elect][Reject]] [Mental Health Parity [Elect][Reject]]

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

[Life, AD&D and STD Coverage]

[\$15,000-\$500,000 Group Life and AD&D] [STD [1-15/4 -15/13 -26] [\$50-\$1500 Flat] [Other]] * [None]]

**Must have life coverage to be eligible for STD.*

[Life and AD&D benefits reduce 33 1/3 % of the pre-age 65 amount at age 65 and 70, and terminate at retirement. An employee must be actively at work on his effective date for his life and AD&D insurance to take effect. STD coverage is non-contributory and requires 100% participation to meet eligibility guidelines.]

[Term Life and AD&D through USABLE Life is not provided]

[Rates]

If there is an agent or broker involved in this coverage transaction they may receive compensation from USABLE Life, 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.

[SECTION 3.] BENEFIT SELECTION (CONTINUED)

[PREFERRED PROVIDER ORGANIZATION (PPO)]

REQUESTED EFFECTIVE DATE, PENDING APPROVAL IS: _____

Effective Date is [first of the month] [fifteenth of the month] following the Waiting Period

[Is Waiting Period for Initial Enrollment Waived? [Yes] [No]]

[Date of Open Enrollment _____]

[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	
			Employee %	Dependent %
		[0 – 12 months] [Other]		

Note: The Employer must pay a minimum of 50% of the Employee premium. This Policy may be terminated by the company if the Policyholder fails to contribute the percentage of Employees' premium specified above.

Maximum Dependent Age [26-27]

Mandated Mental Health Parity [Yes] [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. [Yes] [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.

Deductible:	[\$50 - \$5,000]	[Deductible Carryover [Yes / No]]
Family Deductible:	[2 - 3] per family	Basis: [Accumulated – Fulfillment]
Coinsurance:	[90%-70% / 70%-50%]	
In-Network Calendar Year Out-of- Pocket Max:		[\$200 - \$10,000] [Other]
Family Calendar Year Out-of-Pocket Max:	[2 - 3] per family	Basis: [Accumulated – Fulfillment]
Out-of-Network Calendar Year Out-of-Pocket Max:		[\$400 - \$20,000] [Unlimited]
Lifetime Maximum:	Unlimited	

Wellness: [Traditional][Declined][Health Care Reform]

Prescription Drug Rider Plan: [2 Tier Copay Plan [\$3-\$20 / \$10-\$20]] [3 Tier Copay Plan [\$3-\$20 / \$10-\$75 / \$10-\$100]] [3 Tier Copay + Coins Plan [\$3-\$20 / \$10-\$40 / \$10-\$60 + 20%]] [4 Tier Copay Plan [\$3-\$20/\$10-\$75/\$10-\$100/\$10-\$200]] [4 Tier Copay Plan [\$3-\$20/\$10-\$100/\$10-\$200/100%]] [Mail Order Drug [30 -102 day supply] [1, 2, 3 Copayments]] [Deductible + Coins Plan: Ded [\$25-\$50-\$75-\$100][Other] Coins:[Medical [90/70][80/60]+20%] [70/50] + 30%]] [None] [Other][Value Formulary] [Standard Formulary]

Based on actuarial review, this drug benefit option [is] [is non-] creditable to the standard Medicare Part D prescription coverage.

PPO Optional Benefits:

[Office Visit Copayment [\$20 - \$30] [None]]	Maternity [Elected] [Declined]
[Primary/Specialty Office Visit Copayment [\$20/\$40-\$40-\$100]]	Supplemental Accident Endorsement [Elected] [Declined]
[ER Copayment [\$50 - \$500]]	[Air Ambulance \$10,000]

Arkansas Mandated Offer Benefit Riders:

You Must Elect or Reject Each Rider

Mammography [Elect] [Reject] [Substance Abuse [Elect] [Reject]] [Psychiatric Condition [Elect] [Reject]]

TMJ* [Elect] [Reject] [Hearing Aid [Elect] [Reject]] [Mental Health Parity [Elect][Reject]

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

[Life, AD&D and STD Coverage]

[\$15,000-\$500,000 Group Life and AD&D]

[STD [1-15/4 -15/13 -26] [\$50-\$1500 Flat] [Other]] * [None]

*Must have life coverage to be eligible for STD.

[Life and AD&D benefits reduce 33 1/3 % of the pre-age 65 amount at age 65 and 70, and terminate at retirement. An employee must be actively at work on his effective date for his life and AD&D insurance to take effect. STD coverage is non-contributory and requires 100% participation to meet eligibility guidelines.]

[Term Life and AD&D through USAbLe Life is not provided]

[SECTION 3.] BENEFIT SELECTION (CONTINUED)

[Rates]

If there is an agent or broker involved in this coverage transaction they may receive compensation from USABLE Life, 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.

[HSA]

REQUESTED EFFECTIVE DATE, PENDING APPROVAL IS: _____

Effective Date is [first of the month] [fifteenth of the month] following the Waiting Period

[Is Waiting Period for Initial Enrollment Waived? [Yes] [No]]

[Date of Open Enrollment _____]

[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	
		[0 – 12 months]	[Other]	Employee %	Dependent %

Note: The Employer must pay a minimum of 50% of the Employee premium. This Policy may be terminated by the company if the Policyholder fails to contribute the percentage of Employees' premium specified above.

Maximum Dependent Age [26-27]

Mandated Mental Health Parity [Yes] [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. [Yes] [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.

[Annual HSA Contribution by Tier:]

Employee Only: _____ Employee/Spouse: _____ Employee/Child: _____ Family: _____

HSA Contribution Frequency: [Annual] [Monthly] [Semi-Monthly]

Deductible

Individual In-Network: [\$1,200* - \$6,000] [Aggregate-Embedded] Family In-Network: [\$2,400*-\$10,800]

Individual Out-of-Network: [\$2,400 - \$10,800] [Aggregate-Embedded] Family Out-of-Network: [\$4,800-\$21,600]

Coinsurance

In-Network: [80% - 100%] Out-of-Network: [60% - 80%]

Calendar Year Coinsurance Max:

Individual In-Network: [\$0 - \$10,000*] [Aggregate-Embedded] Family In-Network: [\$0 - \$20,000*]

Individual Out-of-Network: [\$8,000 – Unlimited][Aggregate-Embedded] Family Out-of-Network [\$16,000 – Unlimited]

**Adjusted annually for inflation each January 1, in accordance with the provisions of §223 of the Internal Revenue Code of the United States of America as amended.*

Lifetime Maximum: Unlimited **Wellness:** [Traditional][Declined][Health Care Reform]

Optional Benefits: Maternity [Elect][Declined] [Air Ambulance 10,000]

Drug Coverage: [Standard Formulary-Subject to Deductible & Coinsurance] [HSA Preventive RX List]

[Essential Care Formulary-Subject to Deductible & Coinsurance]

[Value Formulary-Subject to Deductible & Coinsurance] [No Coverage]

Based on actuarial review, this drug benefit option [is] [is non-] creditable to the standard Medicare Part D prescription coverage.

ARKANSAS MANDATED OFFER BENEFIT RIDERS:

You Must Elect or Reject Each Rider

Mammography [Elect][Reject] [Substance Abuse [Elect][Reject]] [Psychiatric Condition [Elect][Reject]]

TMJ* [Elect][Reject] [Hearing Aid [Elect][Reject]] [Mental Health Parity [Elect][Reject]]

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

[SECTION 3.] BENEFIT SELECTION (CONTINUED)

Life, AD&D and STD Coverage]

[\$15,000-\$500,000 Group Life and AD&D]

[STD [1-15/4 -15/13 -26] [\$50-\$1500 Flat] [Other]] * [None]

**Must have life coverage to be eligible for STD.*

[Life and AD&D benefits reduce 33 1/3 % of the pre-age 65 amount at age 65 and 70, and terminate at retirement. An employee must be actively at work on his effective date for his life and AD&D insurance to take effect. STD coverage is non-contributory and requires 100% participation to meet eligibility guidelines.]

[Term Life and AD&D through USAble Life is not provided]

[Rates]

If there is an agent or broker involved in this coverage transaction they may receive compensation from USAble Life, 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.

[COPAY PLAN]

REQUESTED EFFECTIVE DATE, PENDING APPROVAL IS: _____

Effective Date is [first of the month] [fifteenth of the month] following the Waiting Period

[Is the Waiting Period for Initial Enrollment Waived? [Yes] [No]]

Date of Open Enrollment: _____

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	
			Employee %	Dependent %
		[0-365 days] [other]		

NOTE: The Group 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 [26-27]

Mandated Mental Health Parity [Yes][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. [Yes] [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: [10%-30%/30%-50%]	PCP/Specialist: [\$25/\$35]
Emergency Room: [\$50-\$250]	Inpatient In-Network: [\$0-\$500]
Inpatient Out-of-Network: [30%-50%]	Deductible In-Network: [\$0-\$5,000/\$0-\$15,000]
Deductible Out-of-Network: [\$750-\$15,000/\$2,250-\$45,000]	
In-Network Coinsurance Maximum: [\$0-\$10K/\$0K-\$30K] [unlimited]	
Out-of-Network Coinsurance Maximum: [\$6K-\$32K/\$18K-\$96K] [unlimited]	
Lifetime Maximum: Unlimited	Wellness: [Traditional Wellness][Health Care Reform]

Drug Coverage: [2 Tier Copay Plan [\$3-\$20]/[\$10-\$30] [other]]
 [3 Tier Copay Plan: [\$3-\$20]/[\$10-\$75]/[\$10-\$100] [other]]
 [3 Tier Copay Plan + Coins.: [\$3-\$20]/[\$10-\$40]/[\$10-\$60] + [20%][other]]
 [4 Tier Copay Plan [\$3-\$20/\$10-\$75/\$10-\$100/\$10-\$200]]
 [4 Tier Copay Plan [\$3-\$20/\$10-\$100/\$10-\$200/100%]]
 [Mail Order Drugs [30-102 day supply] [1,2,3 copayments]]
 [None][Value Formulary] [Standard Formulary]

[Based on actuarial review, this drug benefit [is] [is non-] creditable to the standard Medicare Part D prescription coverage.]

Optional Benefits:

[Air Ambulance \$10,000]

[SECTION 3.] BENEFIT SELECTION (CONTINUED)

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

TMJ [Elect] [Reject*]

[Hearing Aid [Elect]][Reject]]

[Mental Health/Substance Abuse [Elect] [Reject]]

[Mental Health Parity [Elect]][Reject]]

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

[Life, AD&D and STD Coverage]

[[**\$15,000 - \$500,000 Group Life and AD&D**] [STD [1-15/4-15/13-26] [\$50-\$1,500 Flat] [other]]* [None]]

[*Must have life coverage to be eligible for STD.]

[Life and AD&D benefits reduce 33 1/3% of the pre-age 65 amount at age 65 and 70, and terminate at retirement. An employee must be actively at work on his effective date for his life and AD&D insurance to take effect. STD coverage is non-contributory and requires 100% participation to meet eligibility guidelines.]

[USable Life is an independent company and operates separately from Health Advantage. USable Life does not sell or service Health Advantage products. USable Life is solely responsible for life insurance. [Life, AD&D and STD is provided through USable Life.]]

[Term Life and AD&D through USable Life is Not Provided.]

[Rates]

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.

[SECTION 4.] ATTESTATIONS

There are a number of federal regulations that impact small group business owners, either in requirements to provide health plan benefits or the types of benefits that must be offered. Our goal is to assist you in meeting these requirements, to help us accomplish this we ask that each small group business owner provide us with answers to the questions below

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.¹

(Yes__)(No__) As an employer, are you currently obligated by law to comply with COBRA?

(Yes__)(No__) Do you want to use the services of Ceridian?

(Yes__)(No__) If yes, are you currently contracting directly with Ceridian?

Maternity – The Pregnancy Discrimination Act of 1978 requires health plans with 15 or more employees to cover pregnancy, childbirth and related conditions. With USable Life Arkansas products, we offer maternity coverage as a “rider” for those groups with fewer than 15 employees. In order to ensure we include maternity if required, please answer the question below:

(Yes__)(No__) Do you have 15 or more employees, counting both full time and part time employees?

[SECTION 4.] ATTESTATIONS (CONTINUED)

Medicare Secondary Payer – If you have employees who are over 65 and enrolled in Medicare, Medicare will pay as “primary” if you have less than 20 employees (note that other criteria may apply as well). If Medicare is primary, we will offer lower “group health plan” rates to your employees who are over 65 and have their Medicare Parts A and B cards, but not if Medicare is secondary. The count of employees is determined on whether or not you employed 20 or more full time and part time employees each working day of 20 or more calendar weeks during the current or the previous calendar year. Copies of the Medicare Part A and B cards must be submitted for all Medicare-eligible enrolled employees for the lower rates to apply.

(Yes__) (No__)²Under the governmental guidelines discussed above, the group health plan will result in Medicare being the secondary payer, due to meeting the criteria for 20 or more employees as defined above.

Mental Health Parity – An amendment to the Mental Health Parity and Addiction Act of 2008, set to go into effect on October 3rd, 2009 will require that certain group health plans and health insurance issuers offer coverage to the same extent for mental health and/or substance abuse disorders as they provide for health coverage. This law does not apply to small group employers, defined as those who employed an average of not more than 50 employees on business days during the preceding calendar year.

If the health plan is subject to “Mental Health Parity”, the benefits that must be offered will be richer compared to our current plans, with accompanying adjustments in rates. If not required by law to offer mental health parity, the small employer can decide to maintain the current benefit or elect to move to mental health parity as an option.

(Yes__) (No__)Under the governmental guidelines above the group health plan is subject Mental Health Parity, meeting the criteria for more than 50 employees.

Medical Loss Ratio - The determination of Large and Small Groups is based upon the average number of employees employed by the employer on business days during the proceeding calendar year. The Public Health Services Act §2791(e) provides

(1) The term “large employer” means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 101 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year.

(2) The term “small employer” means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 100 employees on business days during the preceding calendar year and who employs at least 1 employees on the first day of the plan year.

The policyholder is a ____ large employer ____ small employer (check one).

[Non-discrimination Rule - Our records indicate that your health plan is ‘Non-Grandfathered’ therefore discrimination based on waiting periods and contribution is prohibited by Section 2716 of the Public Health Services Act:

[Please select one waiting period for your enrollees:

____(Class A:)

____ (Class B:)]

[Please select one contribution for your enrollees:

____ Contribution

____ Contribution]]

¹ COBRA Handbook 2009, ¶4.03[E][2]; 26 CFR §54.4980B-2 Q/A 5(e).

² 42 CFR §411.170.

[SECTION 4.] ATTESTATIONS (CONTINUED)

L. Policyholder to Distribute and Account for Premium Rebates

[ERISA Groups]

In the event federal or state law requires the Company to rebate a portion of an annual premium payment, Company will pay the Policyholder the total rebate applicable to the Policy, and Policyholder shall handle the rebate payment in accordance with the applicable provisions of Employee Retirement Income Security Act of 1974 (ERISA). Policyholder will indemnify the Company in the event the Company suffers any fines, penalties or expenses, including reasonable attorney's fees, due to the Policyholder's failure to carry out its obligations under this Section L of the Group Policy.

L. Policyholder to Distribute and Account for Premium Rebates

[Governmental Groups]

In the event federal or state law requires the Company to rebate a portion of an annual premium payment, Company will pay the Policyholder the total rebate applicable to the Policy, and Policyholder shall use the amount of the rebate that is proportionate to the total amount of premium paid by all Employees under the policy for the benefit of Employees in one of the following ways, at the option of the Policyholder:

1. For all Employees covered under any option offered under the policyholder's group health plan at the time the rebate is received by the policyholder, to reduce the Employees' portion of premium for the subsequent policy year;
2. For Employees covered, at the time the rebate is received by the policyholder, under the group health plan option for which the Company is providing a rebate, to reduce the Employees' portion of premium for the subsequent policy year;
3. A cash refund to Employees enrolled in the group health plan option, at the time the rebate is received by the policyholder, for which the Company is providing a rebate; and
4. The reduction in future premium or the cash refund provided under paragraphs 1, 2 or 3 of this section may, at the option of the policyholder, be: divided evenly among such Employees; divided based on each Employee's actual contributions to premium; or apportioned in a manner that reasonably reflects each Employee's contributions to premium.
5. The portion of a rebate based upon former Employees' contributions to premium must be aggregated and used for the benefit of current Employees in the group health plan in any manner permitted by this section.

Policyholder will indemnify the Company in the event the Company suffers any fines, penalties or expenses, including reasonable attorney's fees, due to the Policyholder's failure to carry out its obligations under this Section L of the Group Policy.

L. Policyholder to Distribute and Account for Premium Rebates

[Church Groups]

In the event federal or state law requires the Company to rebate a portion of an annual premium payment, Company will pay the Policyholder the total rebate applicable to the Policy if the Company receives a written assurance from the Policyholder that Policyholder shall use the amount of the rebate that is proportionate to the total amount of premium paid by all Employees under the policy for the benefit of Employees in one of the following ways, at the option of the Policyholder:

1. For all Employees covered under any option offered under the policyholder's group health plan at the time the rebate is received by the policyholder, to reduce the Employees' portion of premium for the subsequent policy year;
2. For Employees covered, at the time the rebate is received by the policyholder, under the group health plan option for which the Company is providing a rebate, to reduce the Employees' portion of premium for the subsequent policy year;
3. A cash refund to Employees enrolled in the group health plan option, at the time the rebate is received by the policyholder, for which the Company is providing a rebate; and
4. The reduction in future premium or the cash refund provided under paragraphs 1, 2 or 3 of this section may, at the option of the policyholder, be: divided evenly among such Employees; divided based on each Employee's actual contributions to premium; or apportioned in a manner that reasonably reflects each Employee's contributions to premium.
5. The portion of a rebate based upon former Employees' contributions to premium must be aggregated and used for the benefit of current Employees in the group health plan in any manner permitted by this section.

Otherwise, the Company will distribute the rebate directly to the Employees of the group health plan covered by the policy during the MLR reporting year on which the rebate is based by dividing the entire rebate, including the amount proportionate to the amount of premium paid by the Policyholder, in equal amounts to all Employees entitled to a rebate without regard to how much each Employee actually paid toward premiums.

Policyholder will indemnify the Company in the event the Company suffers any fines, penalties or expenses, including reasonable attorney's fees, due to the Policyholder's failure to carry out its obligations under this Section L of the Group Policy.]

[SECTION 5.] 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 USABLE Life Group Health of proper employee counts for the purpose of determining payment priority between Medicare and USABLE Life Group Health. USABLE Life Group Health 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):			
Full-Time Employees waiving (including those satisfying their waiting period within 3 months after the effective date):			
COBRA Continuees (Enrolling)			
Life ONLY Contracts			
Total Enrolling and Waiving			
[New Full-Time Employees who will NOT satisfy the Waiting Period within 3 months after the eff. Date:]			
Part Time / Seasonal / Temporary Employees			
Total # of Employees			

Minimum Number of Insured Employees. [To meet small group enrollment guidelines a group must have at least two full-time enrolled employees, of which no more than 50% may reside in the same household.] [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. 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 Policy may be terminated by the Company 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 Policyholder covered by the Policy becomes less than the percentage of Employee participation specified above.

[SECTION 6.] 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 Policy and Benefit Certificate.

[I hereby apply for the above referenced coverage and agree the group insurance, subject to the terms and conditions of the policies applied for, will take effect as of the next available effective date after approval, provided this application is approved and the premium is received by the home office of USABLE Life. **I also understand that my signature below represents my agreement and acceptance of the attached premium rate schedule.**]

[I hereby renew the above referenced coverage and agree the group insurance, subject to the terms and conditions of the policies renewed, will take effect as of the renewal date, provided this application is approved and the premium is received by the home office of USABLE Life. **I also understand that my signature below represents my agreement and acceptance of the attached premium rate schedule.**]

[I understand the Life and Accidental Death & Dismemberment coverage is provided through a policy issued to the Trustee of the USABLE Life Group Insurance Trust, and I hereby [apply for][renew] participation in said trust, which is insured by USABLE Life. A copy of the trust policy is maintained in USABLE Life's home office in Little Rock, Arkansas and is subject to examination by participating employers.]

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. Policyholder

Signed at _____, this _____ day of _____ 20____
(City, State)

[full legal name of Policyholder]

By:

Authorized Signature

Printed Name

Title or Position

2. Agent

I hereby certify that all of the information contained in this employer group health coverage application and trust participation agreement 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 USABLE Life will have no liability until this application has been approved and the premium is received.

Agent Signature

Insurance License #/Agency Fed. Tax ID#

Agent Printed Name

Date

SERFF Tracking #:

LSVX-G128670582

State Tracking #:**Company Tracking #:**

AR000960100015

State: Arkansas **Filing Company:** US Able Life
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.001C Any Size Group - Other
Product Name: Group Health Policy Amendment and Employer Applica
Project Name/Number: GRP- Group/AR000960100015

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Flesch Certification	Approved-Closed	09/10/2012
Comments:			
Attachment(s):			
Flesch Certification US Able 42-63 1-13.PDF			

		Item Status:	Status Date:
Bypassed - Item:	PPACA Uniform Compliance Summary	Approved-Closed	09/10/2012
Bypass Reason:	Not PPACA related.		
Comments:			

		Item Status:	Status Date:
Bypassed - Item:	Application	Approved-Closed	09/10/2012
Bypass Reason:	Not a policy filing.		
Comments:			



RE: US Able Life
Form Nos. 42-63 1/13

**FLESCH READING EASE
CERTIFICATION**

This is to certify that the above referenced documents have achieved a Flesch Reading Ease Score average of 40.5 and comply with the requirements of A.C.A. §23-80-201 *et. seq.*, cited as the Life and Accident and Health Insurance Policy Language Simplification Act.

A handwritten signature in black ink, appearing to read "Jason Allen", is written above a horizontal line.

Name

President
Title

August 31, 2012
Date