

Underwriting guidelines for individual medically-underwritten products

Independence Blue Cross Underwriting Department

This document is for informational purposes only and is not intended to be all inclusive. Independence Blue Cross (IBC) reserves the right to change these underwriting guidelines without notice as IBC, within its sole discretion, believes necessary to comply with federal and/or state law or as required by federal and/ or state regulatory agencies. IBC has the sole discretion and final authority to interpret the scope and application of the underwriting guidelines. These guidelines supersede any previously released guidelines.



**Independence
Blue Cross**

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Eligibility and enrollment requirements

General requirements – applicable to all applicants/dependents	<ul style="list-style-type: none">• Coverage is limited to residents of the following Pennsylvania counties: Bucks, Chester, Delaware, Montgomery, and Philadelphia.• Coverage is not guaranteed-issue.• All applications are subject to medical underwriting and may be approved at a standard premium rate, a substandard premium rate, or declined. (Exception: Dependents or applicants under age 19 cannot be declined but may be rated up).• Non-U.S. citizens are eligible to apply, but they must be a resident for at least six continuous months before applying and must provide copy of green card or student visa.• Coverage is not available to any person eligible for Medicare or Medicare Disability.• An individual applicant who is pregnant, an expectant parent, or in the process of adoption or surrogacy is not eligible.
Primary applicant eligibility	<ul style="list-style-type: none">• Must be between the ages of 18 and 64.
Dependent eligibility	<ul style="list-style-type: none">• Spouse:<ul style="list-style-type: none">• Must be between the ages of 18 and 64;• May be separated from applicant (informal or formal, legal separation);• Common-law spouse, only if common-law marriage took place <i>prior to</i> January 1, 2005, since these marriages are recognized by the Commonwealth of Pennsylvania;• Domestic partners are <i>not</i> eligible dependents.• Children:<ul style="list-style-type: none">• Children of the applicant subscriber (biological, stepchild, legally adopted, or child placed for adoption), until age 26;• Any child not fitting above categories, must provide letter/court papers for review and determination;• Under legal guardianship or court-ordered custody, as defined in plan documents and in accordance with state and federal laws, are eligible for coverage until age 26.• Any family member who is pregnant, an expectant parent, or in process of adoption or surrogacy is not eligible for consideration for coverage until after the child is born/adopted.• All family members requesting coverage must choose same benefit plan option and same effective date as the primary applicant.
Adding dependents to an existing contract	<ul style="list-style-type: none">• Requests to add a spouse or children are subject to medical underwriting and requests for coverage must be submitted on a paper application. Plan changes or the addition of dependents may not be applied for online.• Coverage for newborn or newly-adopted children of an existing member will be guaranteed issue if member applies to add the child within 31 days of birth or adopted child's placement in the home. (Special stipulations for foreign adoptions will be considered upon review of adoption papers.)

Underwriting process

Rates	<ul style="list-style-type: none">• Rates are determined based on age, gender, and health status of applicants and the plan applied for.• Rate is based on oldest adult to be covered.
Application for coverage	<ul style="list-style-type: none">• Application may be made online or via paper application (except for plan changes or adding dependents).• Any additional information that cannot be completed within the application form should be provided on a separate sheet of paper and signed and dated by the primary applicant and spouse (if applying).• Application (online or paper) must be received by the IBC Underwriting Department ("IBC") within 21 days of signature.• Applications with numerous omissions, alterations or delayed submission (more than 21 days after signature) will be rejected and new application required.• IBC may require additional information to complete underwriting process, including: telephone interviews, medical records, health history or other questionnaires, exams and/or blood tests.• Applicants may be required to submit medical records at their own expense.• IBC may contact physicians directly for medical information.• Medical history from claims or other sources not reported in the application will not be shared with the broker or producer.• A new application will be required if underwriting cannot be completed on a pending application within 90 days from the signature date or if the application was closed for non-receipt of requirements.
Requested effective dates	<ul style="list-style-type: none">• First or 15th of the month.• Must be at least ten days from the date of the election.• Must be within 90 days from the application date.• Backdating of requested effective date not permitted.• All family members must select same plan with same effective date.• Regardless of requested date, coverage will not take effect prior to underwriting approval.• Customers should keep their current coverage in effect until notified of approval by IBC.• Requests to change an approved effective date to a future date must be submitted in writing to the IBC Underwriting Department (with explanation), and they must be received within 90 days from original application date. <p><i>Note: IBC reserves the right to review an interim medical history.</i></p>

Pre-existing condition exclusion provision	<ul style="list-style-type: none">• For HMO Plans: Coverage for any pre-existing condition, illness, or injury for which medical advice or treatment was recommended or received within the 90-day period that precedes the effective date of coverage is excluded for the first 12 months.• For PPO Plans: Coverage for any pre-existing condition, illness, or injury for which medical advice or treatment was recommended or received within a 12-month period that precedes the effective date of coverage is excluded for the first 12 months.• Waiver of pre-existing condition exclusion only if acceptable certificate of creditable coverage is provided (see certificate of creditable coverage criteria below).• No automatic transfer for any existing IBC plan into the IMUP programs (without certificate of creditable coverage).• Exception: Effective October 1, 2010, pre-existing condition exclusion provision will not apply to applicants or dependents under age 19.
Certificate of Creditable Coverage	<ul style="list-style-type: none">• Creditable coverage refers to health coverage that an applicant has or previously had that meets following conditions:<ul style="list-style-type: none">• For Blue Cross® and Blue Shield® plan coverage: Coverage must have been in force for 12 months continuously without break in coverage prior to application date.• For other carriers: Coverage must have been in force at least 18 continuous months without a break, or more than 63 days prior to date of application.

Approval and appeals procedures

Approval and acceptance	<ul style="list-style-type: none"> • Approval at standard rate for all applicants: Approval notice will be sent to applicant stating coverage effective date and rate and case will automatically be processed for enrollment and billing. • Approval on rated basis or modified approval (one or more applicants on application are declined): An offer letter will be sent (online or through the mail) to the applicant, stating effective date, terms of coverage, and premium rate. • Applicant must formally accept the offer within 15 days for coverage to take effect. • If acceptance is received after coverage effective date stated in offer, effective date may be moved to the next 1st or 15th of the month (member will be notified). • Offers not formally accepted within 15 days may be withdrawn and future requests may require a new application and medical underwriting. • Applicant must notify Underwriting of any changes in medical history or any other change since the original application was signed and submitted.
Declination of application	<ul style="list-style-type: none"> • IBC will send a declination notice by mail if an application or one or more applicants are declined. • Declination letter will include the specific medical history that resulted in the decline • Brokers and producers will not receive a copy of the declination letter due to confidentiality – application status will be available through ROAM. • If primary applicant is declined on a husband and wife or family application: IBC underwriting will determine if offer can be extended to remaining family members – if yes, an offer will be extended (may also require a new application to be completed).
Modified approval of application	<ul style="list-style-type: none"> • Applies to cases where one or more applicants on the application are approved and one or more are declined. • IBC will send two final decision letters: <ul style="list-style-type: none"> • a modified approval letter listing applicants approved for coverage and those declined; and • a declination letter will be mailed separately to the declined applicant(s).
Appeal of adverse underwriting decisions	<ul style="list-style-type: none"> • Applicant has 180 days from the date of notification of declination to appeal the underwriting decision. • Must be submitted in writing to Independence Blue Cross Individual Medical Underwriting Department. • Appeal process and applicant's rights will be outlined in declination letter. • For privacy reasons, explanations of underwriting decisions will be addressed in writing to the applicant at address provided in the application –no explanations by phone.
Underwriting questions	<ul style="list-style-type: none"> • Contact IMUP customer service team at 215-241-4761 (select Option 2).
Individual product tool kit for brokers	<ul style="list-style-type: none"> • The individual product tool kit on the IBC broker website will provide additional information on the individual products. • Link: http://www.ibx.com/broker_individual



Benefits underwritten or administered by QCC Insurance Company, a subsidiary of Independence Blue Cross — independent licensees of the Blue Cross and Blue Shield Association.