ARBORSUN Group

Notice 2015-16

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LEGAL PROCESSING DIVISION
PUBLICATION & REGULATIONS BRANCH

APR 2 2 2015

April 16, 2015

CC:PA:LPD:PR (Notice 2015-16)
Room 5203
Internal Revenue Service
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

RE: Cadillac Tax - Age Adjustments

To Whom It May Concern:

I am an insurance broker working in the Small Group (2-49) Employer Marketplace. In Small Group, Employee Level Billing is usually mandatory. It gives us clear-cut examples of how employees with identical coverage can be pushed over the proposed Cadillac tax premium limit simply because of their age. *I am gravely concerned that older workers employed at small businesses will be penalized simply because of their age and where they work.* The Cadillac Tax age adjustment needs to be generous.

I've created an example showing the premium differences between younger and older employees using a popular Small Group plan here in Maryland:

> Employee age 30 premium is $4,971.24 annually, age 62 (same exact plan) is $12,583.56
> *Documentation of premiums and the coverage are attached.*

Please consider this information when writing the regulations for the Cadillac Tax.

Sincerely,

Donna Cameron, CLU, ChFC

Kelly & Associates Insurance Group, Inc.

Proposal System Quote Report

Customer Name: _____ **Quote #:** 454428

Proposed Effective Date: 06/01/2015 **Login ID #:** 436901

County: Baltimore **Quote Date:** 04/07/2015

State, Zip Code: MD 21209 **Federal Employer Size:** _____

Carrier / Medical Product: CareFirst-FACETS / HealthyBlue HMO HRA Non-Integrated BlueFund Gold Plan - $1,500

Medical Code - 100011376

Carrier / Dental Product: _____

Carrier / Vision Product: _____

Medical Rate Grid

*** Please reference this medical rate grid to calculate all subsequent enrollment and changes. If special instruction apply, they will be notated on the Carrier Disclaimer page.**

Age Band	Non Smoker Premium	Smoker Premium	Tier
0 - 17	231.77	231.77	
18 - 18	231.77	231.77	
19 - 19	231.77	231.77	
20 - 20	231.77	231.77	
21 - 21	365	365	
22 - 22	365	365	
23 - 23	365	365	
24 - 24	365	365	
25 - 25	366.46	366.46	
26 - 26	373.76	373.76	
27 - 27	382.52	382.52	
28 - 28	396.75	396.75	
29 - 29	408.43	408.43	
✓ 30 - 30	414.27	414.27	x12 = $4,971.24
31 - 31	423.03	423.03	
32 - 32	431.79	431.79	
33 - 33	437.27	437.27	
34 - 34	443.11	443.11	
35 - 35	446.03	446.03	
36 - 36	448.95	448.95	
37 - 37	451.87	451.87	
38 - 38	454.79	454.79	
39 - 39	460.63	460.63	
40 - 40	466.47	466.47	
41 - 41	475.23	475.23	
42 - 42	483.62	483.62	

*** When submitting final group enrollment, please include this census page with the actual enrollments for verification.**

*** The attached rates are for the above effective date based on the enrollment assumptions used in this proposal. Actual rates are based on final enrollment, tobacco status if applicable and approval from the carrier which may differ from this proposal. The benefit descriptions are very brief. Actual benefits will be coordinated and paid based on the Master Contract.**

Initial Here: _____

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Age Band	Non Smoker Premium	Smoker Premium	Tier
43 - 43	495.3	495.3	
44 - 44	509.9	509.9	
45 - 45	527.05	527.05	
46 - 46	547.49	547.49	
47 - 47	570.49	570.49	
48 - 48	596.77	596.77	
49 - 49	622.68	622.68	
50 - 50	651.88	651.88	
51 - 51	680.72	680.72	
52 - 52	712.47	712.47	
53 - 53	744.59	744.59	
54 - 54	779.27	779.27	
55 - 55	813.94	813.94	10,200
56 - 56	851.54	851.54	
57 - 57	889.5	889.5	
58 - 58	930.01	930.01	
59 - 59	950.09	950.09	
60 - 60	990.6	990.6	
61 - 61	1025.64	1025.64	
✓ 62 - 62	1048.63	1048.63	x 12 = $ 12,583.56
63 - 63	1077.47	1077.47	
64 - 64	1094.99	1094.99	
65 - 99	1094.99	1094.99	
100 - 120	1094.99	1094.99	

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* The attached rates are for the above effective date based on the enrollment assumptions used in this proposal. Actual rates are based on final enrollment, tobacco status if applicable and approval from the carrier which may differ from this proposal. The benefit descriptions are very brief. Actual benefits will be coordinated and paid based on the Master Contract.

Initial Here: _____

HealthyBlue HMO $1,500

Summary of Benefits

Services	You Pay Visit www.carefirst.com/doctors to locate providers
BLUE REWARDS	
Visit **www.carefirst.com/bluerewards** for more information	Blue Rewards is an innovative program where you can earn up to $300 per adult and $750 per family for taking an active role in getting healthy and staying healthy.
ANNUAL DEDUCTIBLE (BENEFIT PERIOD)[2]	
Individual	$1,500
Family	$3,000
ANNUAL OUT-OF-POCKET MAXIMUM (BENEFIT PERIOD)[3]	
Individual	$5,500
Family	$11,000
LIFETIME MAXIMUM BENEFIT	
Lifetime Maximum	None
PREVENTIVE SERVICES	
Well-Child Care (including exams & immunizations)	No charge*
Adult Physical Examination including routine GYN visit	No charge*
Breast Cancer Screening	No charge*
Pap Test	No charge*
Prostate Cancer Screening	No charge*
Colorectal Cancer Screening	No charge*
OFFICE VISITS, LABS AND TESTING	
Facility Charge: In addition to the physician copays/ coinsurances listed below, if a service is rendered on a hospital campus, ADD facility charge	$50 per visit
Office Visits for Illness[4]	No charge* PCP/$30 Specialist per visit
Convenience Care (Retail Health Clinics)	No charge*
Diagnostic Services[4,5]	No charge*
Lab and Tests[4,5]	No charge*
X-ray[4,5]	No charge*
Allergy Testing & Shots[4]	$30 per visit
Physical, Speech and Occupational Therapy (limited to 30 visits per injury or illness/benefit period)[4,6]	$30 per visit
Chiropractic (limited to 20 visits/condition/benefit period)[4]	$30 per visit
Acupuncture[4]	$30 per visit
EMERGENCY CARE AND URGENT CARE	
Urgent Care Center	$50 per visit
Hospital Emergency Room—Facility Services	$200 per visit (waived if admitted)
Emergency Room—Physician Services	No charge*
Ambulance (if medically necessary)	$50 per service

Services	You Pay
HOSPITALIZATION—MEMBERS ARE RESPONSIBLE FOR APPLICABLE PHYSICIAN AND FACILITY FEES	
Outpatient Facility Surgery (Freestanding Facility)	$100 per visit
Outpatient Facility Surgery (Hospital Facility)	Deductible, then $500 per visit
Outpatient Physician Services	No charge* after deductible
Inpatient Facility Services	Deductible, then $500 per admission
Inpatient Physician Services	No charge* after deductible
HOSPITAL ALTERNATIVES	
Home Health Care	Deductible, then $30 per visit
Hospice	Deductible, then $30 per visit
Skilled Nursing Facility *(limited to 100 days/benefit period)*	Deductible, then $30 per admission
MATERNITY	
Preventive Prenatal and Postnatal Office Visits	No charge*
Delivery and Facility Services	Deductible, then $500 per admission
Nursery Care of Newborn	No charge* after deductible
Artificial Insemination[7]	Deductible, then $30 per visit
In Vitro Fertilization Procedures[7]	Not covered
MENTAL HEALTH AND SUBSTANCE ABUSE	
Inpatient Facility Services	Deductible, then $500 per admission
Inpatient Physician Services	No charge* after deductible
Outpatient Facility Services	No charge*
Outpatient Physician Services	No charge*
Office Visits	No charge*
Partial Hospitalization Facility Services	No charge*
Partial Hospitalization Physician Services	No charge*
Medication Management	No charge*
MEDICAL DEVICES AND SUPPLIES	
Durable Medical Equipment	No charge* after deductible
Hearing Aids (limited to 1 hearing aid per hearing-impaired ear every 3 years)	No charge* after deductible
PRESCRIPTION DRUGS[8]	
Prescription Drug Deductible	$0
Preventive Drugs	No charge*
Oral Chemo Drugs and Diabetic Supplies	No charge*
Generic Drugs	No charge*
Preferred Brand Drugs[9]	34-day supply-$45; 90-day supply-$90
Non-preferred Brand Drugs[10]	34-day supply-$65; 90-day supply-$130
Specialty Drugs	50% coinsurance
PEDIATRIC VISION (UNDER 19)	
Routine Exam (limited to 1 visit/benefit period)	In-Network-No charge*; Out-of-Network-Total charge minus $40 reimbursement
Frames and Contact Lenses– Pediatric Collection Only	In-Network-No charge*; Out-of-Network-Reimbursements apply
Spectacle Lenses	In-Network-No charge*; Out-of-Network-Reimbursements apply

Services	You Pay
PEDIATRIC DENTAL (UNDER 19)	
Dental Deductible	In-Network-$25; Out-of-Network-$50
Class I Preventive & Diagnostic Services Exams (2 per year), cleanings (2 per year), fluoride treatments (2 per year), sealants, bitewing X-rays (2 per year), full mouth X-ray (one every 3 years)	In-Network-No charge; Out-of Network-20% of Allowed Benefit
Class II Basic Services Fillings (amalgam or composite), simple extractions, non-surgical periodontics	In-Network-Deductible, then 20% of Allowed Benefit; Out-of-Network-Deductible, then 40% of Allowed Benefit
Class III Major Services–Surgical Surgical periodontics, endodontics, oral surgery	In-Network-Deductible, then 20% of Allowed Benefit; Out-of-Network-Deductible, then 40% of Allowed Benefit
Class IV Major Services–Restorative Crowns, dentures, inlays and onlays	In-Network-Deductible, then 50% of Allowed Benefit; Out-of-Network-Deductible, then 65% of Allowed Benefit
Class V Medically-Necessary Orthodontic Services	In-Network-50% of Allowed Benefit; Out-of-Network-65% of Allowed Benefit

Note: Allowed Benefit is the fee that providers in the network have agreed to accept for a particular service. The provider cannot charge the member more than this amount for any covered service. Example: Dr. Carson charges $100 to see a sick patient. To be part of CareFirst's network, he has agreed to accept $50 for the visit. The member will pay their copay/coinsurance and deductible (if applicable) and CareFirst will pay the remaining amount up to $50.

* No copayment or coinsurance.
[1] When multiple services are rendered on the same day by more than one provider, Member payments are required for each provider.
[2] For family coverage only: The family deductible must be met before any member starts receiving benefits as indicated above. The deductible may be met by one member or any combination of members.
[3] For family coverage only: The family out-of-pocket maximum must be met before any member's services will be covered at 100% up to the Allowed Benefit. The out-of-pocket maximum may be met by one member or any combination of members.
[4] If a service is rendered on a hospital campus you could receive two bills, one from the physician and one from the facility.
[5] Members who reside in the CareFirst service area must use LabCorp as their Lab Test facility and freestanding facilities for Diagnostic Services and X-rays.
[6] There are no limits for children ages 19 and under when Physical, Speech and Occupational Therapy is for treatment of Autism Spectrum Disorder.
[7] Members who are unable to conceive have coverage for the evaluation of infertility services performed to confirm an infertility diagnosis, and some treatment options for infertility. Preauthorization required.
[8] Members are only able to use non-participating Pharmacies in cases of Emergency Services or out-of-area Urgent Care and are reimbursed based on the allowed amount minus the deductible, copay/coinsurance.
[9] If a Generic drug becomes available for a Preferred Brand drug, the Preferred Brand drug moves to the Non-preferred Brand drug tier.
[10] If a provider prescribes a Non-preferred Brand drug, and the Member selects the Non-preferred Brand drug when a Generic drug is available, the Member shall pay the applicable Copayment or Coinsurance as stated in the Schedule of Benefits plus the difference between the price of the Non-preferred Brand drug and the Generic drug up to the cost of the drug. This amount will not contribute to the Out-of-Pocket Maximum.

Notes:
- Not all services and procedures are covered by your benefits contract. This plan summary is for comparison purposes only and does not create rights not given through the benefit plan.
- When the Allowed Benefit is less than the copay listed, the member payment will be the Allowed Benefit.
- PCPs outside the CareFirst service area in BlueCard® PPO include the following specialties: General Practice, Family Practice, Internal Medicine, Pediatrics and Geriatrics.

Policy Form Numbers: MD/CFBC/GC (1/14) • MD/CFBC/HMO/EOC (1/14) • MD/CFBC/DOL APPEAL (R. 9/11) • MD/CFBC/SHOP/BCOA/DOCS (1/14) • MD/CFBC/HB HMO/1500 SOB (1/15) • MD/CFBC/HB/WELLNESS (R. 7/13) • MD/CFBC/ELIG (1/14) and any amendments.

CareFirst BlueChoice

www.carefirst.com