



KELLY & ASSOCIATES INSURANCE GROUP, INC.

301 International Circle Hunt Valley, Maryland 21030-1342 Phone: (410) 527-3400 or (800) 972-7227 Fax: (410) 527-5905

ADMINISTRATIVE GUIDELINES AND PROCEDURES

Billing and Premium Payments: Kelly & Associates Insurance Group, Inc. (KAIG) premium *statements* are mailed no later than the fifteenth (15th) of the month prior to each effective month of coverage. Your premium *payments* should be received by KAIG by the twenty-fifth (25th) of the month prior to the month of coverage. For example, you would receive your premium statement for August coverage on July 7th, and the premium is due by July 25th. All checks should be made payable to KAIG. A \$30 service fee will be charged to your account for any returned checks.

Group/Company Termination: Thirty (30) days advance written notification must be forwarded to KAIG for termination of group coverage. Failure to give written notification prior to the first of the month for which the termination is effective could make your group liable for the additional month's premium. Accounts terminated for late payment seeking reinstatement will be charged a \$100 reinstatement fee, assuming that the carrier approves the reinstatement. Your insurance carrier(s) may also apply a separate fee for reinstatement. Full payment of past due premium, current due premium, and necessary reinstatement fees must accompany all reinstatement requests. Note that some carriers require three (3) months of premium before considering reinstatement.

Group Participation Guidelines: Participation guidelines vary by carrier and plan. Eligibility and participation guidelines are monitored throughout the year by the carrier and are strictly enforced upon renewal. Employees waiving coverage should indicate that they wish to waive coverage on the *Employee Election Form*.

Subscriber Enrollment Guidelines

New Employee Applications: Applications for new employees who have met your group's established waiting period must be received by KAIG by the twenty-fifth (25th) of the month prior to the requested coverage month. All new applications should be submitted with premium payment for the first month of coverage. To ensure timely processing, please complete all applications entirely, including the applicant's signature (and in some cases the employer's signature). Depending on the size of your group and the insurance carrier guidelines, some new applications may be medically underwritten. Coverage in these cases is usually effective the first of the month following approval.

Late Entrants: An employee or dependent seeking health coverage beyond his/her point of eligibility (first of the month after the waiting period) is considered a "late entrant". In most cases, the carrier will not accept late entrants until the following open enrollment period. Only newborn/adopted children and newly married spouses (both need to apply within 30 days of change) can be added outside the open enrollment period. The processing of late entrants requires appropriate written documentation *explaining* loss of coverage, and the relevant enrollment forms must be submitted within 30 days of the event.

Newly Married Spouse: An insured has 30 days from the date of marriage to add his/her new spouse, otherwise the spouse is considered a late entrant.

Newborn Child: A newborn child can be made effective as of the date of birth if written notification (a new application or change form) is submitted within 30 days after the date of birth, otherwise the child is considered a late entrant.

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Subscriber and Dependent Changes: Coverage changes, termination of coverage, or revision of subscriber or dependent information requires a completed *Member Change/Termination Form*. For example: deletion of a dependent turning 19 who is not a full-time student, termination of coverage for an employee, update of a subscriber's address, name changes, etc. Changes in coverage and terminations must be received prior to the first of the month for which the termination or change is effective. Your firm may be liable for premium related to coverage that is left active due to late notification to KAIG. All additions of coverage must be signed by the applicant (and in some cases the employer). The employer may sign termination of coverage.

Additional Carrier Guidelines and Requirements: Each carrier and plan may have unique guidelines regarding enrollment and eligibility. Please consult your insurance carrier's contract for detailed information.

Salary Updates: Updated salary information for groups with salary-based benefits is extremely important. Death and Disability claims are paid based on the latest salary information reported to your carrier. No salary updates are permitted at the time of claim. Salary updates should be reported on a change form or on your billing statement by writing the new adjusted salary and the effective date of the change beside the employee's name. Retroactivity of any kind is limited to sixty (60) days.

COBRA/State Continuation: As a service to our clients, KAIG offers separate billing of *COBRA* (Consolidated Omnibus Budget Reconciliation Act) and *Maryland State Continuation* subscribers. These regulations allow employees to continue health coverage after various qualifying events, such as termination of employment or divorce. The employer or COBRA subscriber must supply KAIG with the signed subscriber election form in order for KAIG to bill the qualified beneficiary. Please contact the KAIG Client Services Team for updated sample forms.

Claims Inquiries: Carrier *Member Services* phone numbers have been set up to assist you with claim questions or specific benefit inquiries. These numbers can be found on your subscriber ID cards or by contacting the KAIG Client Services Team at (410) 527-3432 or (888) 708-7192.

Kelly & Associates Client Services Team: If you have questions or need assistance with your premium statement or coverage administered by KAIG, please contact our KAIG Client Services Team at **(410) 527-3432** or **(888) 708-7192**.

Helpful KAIG fax numbers:

Client Services fax: 888-550-5592 or 410-785-8444

Enrollment fax: 410-527-5905