

PRODUCER'S UNDERWRITING
&
ADMINISTRATIVE GUIDELINES

[Revised: October 2009]



Employer True Group

Plan Administrator

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ELIGIBLE EMPLOYERS

- A minimum of 3 non-related full time employees must be enrolled. Maximum of 99 employees for the **Delta Dental PPO** (PPO) Plan. Maximum of 149 employees for the **DeltaCare USA** (DHMO). For Employers with employees over the maximums stated above, refer to the Administrative Office for instructions. The Davis Vision plans Designer & Premier; there is no maximum employee limitation.
- Sole Proprietors, Partnerships or Corporations that file appropriate government forms.
- Place of business must be other than a place of residency.
- Must have a bank account under company name.
- 50% of the employees enrolled must not be related.

Refer to the Industry Tables (also referred to as "SIC TABLES") in the brochure for classification of eligibility.

ELIGIBLE EMPLOYEES

- Full-time, working a minimum of 24 hours per week. If an employer's group medical plan uses a different definition of a full-time employee, the same definition may be used for the dental plan. However, in matching the medical plan, the minimum numbers of hours must be at least 20 hours per week.
- An Employer/Employee relationship must exist.
- Husband & Spouse when employed by the same employer are each covered as employees. Children will be covered

under the parent with the earlier birth date in the calendar year.

- Employees NOT eligible are: 1) Contract Workers, 2) Commission Sales People [1099], 3) Seasonal or Part-time Workers. Union employees covered under a collective bargaining agreement may be covered.

ELIGIBLE DEPENDENTS

- The employee's spouse, who is not legally separated and is not a member of the Armed Forces.
- The employee's children (including step children, legally adopted children and foster children) who are declared as dependents on the employee's federal income tax return, providing they are unmarried, minimum of age 4 and under age 19 (extended to age 25 if a full-time student at an accredited institution of higher education).
- Dependents must be covered under the same plan of benefits as the employee.

PARTICIPATION RULES

The employer must pay 100% of the employee premium.

Dependent Participation

Option A – If the employer pays 50% or more of the dependent premium there is no percentage participation requirements.

Option B – If the employer contribution is 0% to 49% of the dependent premium, then 75% of the eligible dependents must enroll for coverage to be issued.

The employer may choose to cover employees only. If the employer wishes to add dependent coverage at a later date, they

may do so only on the employer anniversary date.

If an employee or dependent is covered under another "group" dental or vision plan and proof is submitted, they may waive out by completing a Waiver Form and are excluded in the calculation of participation requirements.

Under Delta Dental PPO

If a dependent waives coverage for any other reason, they may NOT enroll at a future date. There is "NO" open enrollment period.

Under DeltaCare USA

If a dependent waives coverage, for any other reason, they may enroll on the employer's anniversary date.

PROBATIONARY PERIOD

The standard waiting period for new employees to be covered is the first of the month following 90 days of continuous employment. However, any waiting period may be used if it duplicates the same employee waiting period as the in-force medical plan. All full-time employees may be covered on the initial effective date regardless of length of employment if the employer chooses.

DE-6 CALIFORNIA QUARTERLY WAGE REPORT DOCUMENTATION

For employers with 3 to 10 employee lives

To verify and monitor participation requirements the DE-6 form must be included for a case to be considered. DE-6 form, California Quarterly Wage Report, will be requested from the employer on the anniversary date of their coverage.

If owners or partners are not shown on the DE-6 Quarterly report, written documentation

showing that they are full-time employees must be provided.

EFFECTIVE DATE OF COVERAGE

First of the month is standard and only effective date available. New cases should be received by the 15th of the month prior to the requested effective date.

New Employees: Enrollment form must be received in the Administrative Office prior to the effective date of coverage. Late submission of an enrollment form will be added retroactive to the new employees eligibility date.

PREMIUM STATEMENTS

Premium statements will be mailed approximately the 5th of the month prior to the month of coverage and are due by the DUE DATE indicated on the statement. If payment is not received by the due date, a late fee of \$25.00 will be assessed. If not paid by the end of the due date month, coverage will be terminated.

If an employer unit is terminated for non-payment, they may be considered for re-instatement one time only. A re-instatement fee of \$50.00 will be assessed.

If the employer cancels coverage they may be considered for re-enrollment after 12 consecutive months from the cancellation date.

An NSF check for the initial premium will automatically terminate the coverage. After the first month, employers will be given a brief replacement period to make the check good. A \$25.00 NSF fee will be required with the replacement premium. Only one NSF check will be allowed in a 12 consecutive month period.

CLERICAL ERROR

Upon discovery of a clerical error, the Administrative Office will be allowed to go back a maximum of twelve (12) months from the date of discovery to correct the error.

If the employer fails to submit an employee's enrollment card, the employee will be added to the program as of their eligibility date, subject to payment of premium back to the employee's effective date.

RENEWAL NOTIFICATION

Each employer will be notified approximately 45 days prior to the anniversary of any rate action required. Renewal notification will also be sent to the servicing agent/broker.

CHANGES

Dual Choice Plans: Employees may switch between the PPO Plan and DHMO Plan at the anniversary date of the employer only.

Terminated Employees: Employee may be crossed out and indicated on the monthly billing statement, and appropriate premium subtracted from amount due. Adjustments for previously terminated employees will only be allowed for a maximum of one (1) month.

INELIGIBLE INDUSTRIES

► DeltaCare USA

- Government-funded agencies
- Law firms, legal services
- Dental offices
- Real-estate offices
- Associations
- Groups without a true employer/employee relationship
- Groups currently covered by another Delta program
- Groups with seasonal employment.

► Delta Dental PPO

See eligible industry table in PPO brochure.

LICENSING

You will need to submit a completed Agent Information Form, copy of a current State License, and a W-9 Form with your first new business case.

COMMISSIONS

Commissions will be paid on or about the 25th of each month, based on business accepted and processed and premiums received and applied for the prior month.

No commissions are paid on late NSF or Administrative Fees.

PROPOSALS AND QUOTES

Agents/Brokers can receive information regarding plan design, benefits, pricing and enrollment by logging on the Web. Forms, Brochures and Pricing can be down loaded for presentation to your clients.

Website: www.multibenefitplans.com

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