



2009 BROKER MANUAL

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1. 0 OVERVIEW

1.1 Mission Statement

To provide high quality, affordable employee benefits programs to participating Trust employers.

1.2 Trust History

The Evergreen Security Trust Fund was originally organized in March, 1955, to cover workers and their employers in the lumber and sawmill industry in Western Washington. Since that time the Trust Fund has grown in the types of benefits which it has provided and in the number of covered individuals and families throughout Washington State.

1.3 Our Trustee

Evergreen Security Trust's Trustee is Gary D. La Marche. Mr. La Marche has served as Trustee of the Trust since 1977, and has taken an active role in its direction. He will be working with the General Agent, Administrator, Attorney and Carriers to maintain the integrity and spirit of Evergreen Security Trust.

1.4 Who May Participate

Employers located in Washington with five or more employees may join the Trust. Employers in certain industries (detailed later in this manual) require Trust approval prior to participating in Trust plans.

1.5 What We Offer

- ❖ **Twelve Medical Plan options underwritten by Regence BlueShield**
- ❖ **Eleven Medical Plan options underwritten by Asuris Northwest Health**
- ❖ **Four Dental Plan options underwritten by Washington Dental Service**
- ❖ **Vision Coverage Included with Medical Plans (*exception: not included on PPO 50/50 deductible plans*)**
- ❖ **Mandatory Life/AD&D/Dependent Life Coverage, with Optional Coverage Available, underwritten by Regence Life & Health**
- ❖ **Wellness Benefits Included with ALL Medical Plans:**
 - **CareEnhance 24-Hour Nurse Advice Line**
 - **Special Beginnings (Maternity Management Program for Expectant Mothers)**

SEE APPENDIX FOR MORE INFORMATION ON THE ABOVE WELLNESS BENEFITS

1.6 Our Partners

<p>Benefit Solutions, Inc. PO Box 6 – Mukilteo, WA 98275 12121 Harbour Reach Dr., Ste 105 (206) 859.2600</p>	<p>Administrator – billing, eligibility, plan booklets</p>
<p>Ekman, Bohrer & Thulin, Inc., PS 220 West Mercer Street, Suite 400 Seattle, WA 98119 (206) 282-8221</p>	<p>Trust Attorney</p>

2.0 GENERAL AGENT

2.1 Who Are We?

DiMartino Associates, Inc.		
1301 Fifth Avenue, Suite 3701 Seattle, WA 98101 (206) 623-2430, (206) 812-7550 fax julia@evergreensecuritytrust.com shannon@evergreensecuritytrust.com	Greg DiMartino Julia DiMartino Shannon Brauner	Trust Consultant Trust Manager Proposals

2.2 Working with Us

- Must be licensed in Washington state
- Must have affiliation certificate with all participating insurance carriers
- Must provide proof of current E&O coverage
- Must sign producer agreement

Evergreen Security Trust will pay brokers and agents a 5% flat commission for all business placed in the Trust. All business placed in the Trust will count towards carrier incentive/bonus programs.

2.3 Requesting a Quote

- Census data should include
 - employee gender,
 - date of birth,
 - number of dependents (with spouse date of birth if available) covered
- Employer SIC code or industry, zip code
- Employer contribution level
- Current plan and rates

Rates are SIC and zip code sensitive as well as age and gender sensitive. To the extent that complete information is submitted, rates will be much more accurate.

Final rates will be dependent on actual enrollment information.

2.4 Submitting New Business

- Group master application, employee applications, employee waivers, domestic partner affidavits, deductible credit information, and a binder check for the first month's premium (made out to Evergreen Security Trust) should be submitted to DiMartino Associates by the 20th of the month prior to the effective date.
- Group information will be submitted to the Trust Administrator by the 25th of the month. This should allow the Administrator to transmit eligibility to the carrier and distribute ID cards and booklets prior to the effective date.
- Late submissions must include the Trust's Late Submission Letter (see Appendix) signed by the signatory individual on the group master application.
- A New Group Confirmation Email will be sent when coverage and rates are processed. If there is a rate adjustment due to different information being received than that quoted, we will notify you as soon as possible.

2.5 Renewal Business

Renewals will be provided within 60 days of the renewal date. If the group is continuing coverage with the Trust, they will need to complete and sign a new Group Master Application and remit to DiMartino Associates by the 20th of the month prior to the renewal date.

3.0 MEDICAL PLAN OPTIONS

3.1 Eleven PPO Plans

- ❖ **PPO 250:** 90%/60% coinsurance, \$250/\$500 deductible, waived for office visits. Office visits paid in full after \$20 copay (copay and coinsurance out of network). Maximum out of pocket is \$2,000/\$4,000 per year. Preventive care is unlimited. Prescription drugs covered under major medical.
- ❖ **PPO 250a:** The above plan is available with a buy-up \$15/\$40/\$60 drug card.
- ❖ **PPO 350:** 80%/50% coinsurance, \$350/\$700 deductible, waived for office visits. Office visits paid in full after \$25 copay (copay and coinsurance out of network). Maximum out of pocket is \$2,500/\$5,000 per year. Preventive care unlimited. Prescription drugs covered under major medical.
- ❖ **PPO 350a:** The above plan is available with a buy-up \$15/\$40/\$60 drug card.
- ❖ **PPO 500:** 80%/50% coinsurance, \$500/\$1,000 deductible, waived for office visits. Office visits in full after a \$30 copay in network, copay and coinsurance out of network. Maximum out of pocket is \$3,500/\$7,000 per year. Preventive care is unlimited. Prescription drugs covered at \$15/\$40/\$60.
- ❖ **PPO 750:** 80%/50% coinsurance, \$750/\$2250 deductible, waived for office visits and first \$500/year for outpatient x-ray and lab. Office visits paid in full after \$25 copay. X-ray and lab above the first \$500/year and services not billed as an office visit are subject to deductible. Maximum out of pocket is \$2,500/\$7,500 per year. Preventive care is unlimited. Prescription drugs covered at \$15/\$40/\$60.
- ❖ **PPO 1000:** 80%/50% coinsurance, \$1,000/\$3,000 deductible, waived for office visits and first \$500/year for outpatient x-ray and lab. Office visits paid in full after \$25 copay. X-ray and lab above the first \$500/year and services not billed as an office visit are subject to deductible. Maximum out of pocket is \$5,000/\$15,000 per year. Preventive care is unlimited. Prescription drugs covered at \$15/\$40/\$60.
- ❖ **PPO 50/50:** 50%/50% coinsurance, no annual deductible, maximum out of pocket is \$3,500/\$7,000 per year. Preventive care is unlimited, subject to coinsurance. Prescription drugs covered under major medical, drug card buy-up option not available.
- ❖ **PPO 50/50 deductible:** 50%/50% coinsurance, \$500/\$1000 annual deductible, maximum out of pocket is \$2,500/\$5,000. Preventive care is unlimited, subject to deductible and coinsurance. Prescription drugs covered under major medical, subject to deductible. **Note:** The PPO 50/50 deductible plans do not include a vision exam or hardware benefit.
- ❖ **The above PPO 50/50 deductible plan design is also available with deductible WAIVED on prescriptions drugs.**
- ❖ **Plan 5:** HSA 80%/60% coinsurance, \$1,500/\$3,000 deductible. All benefits, including office visits, are subject to the annual deductible in addition to any coinsurance. Preventive care unlimited, not subject to the annual deductible. Prescription drugs covered under major medical, no buy-up option is available.

3.2 One Point of Service Plan

- ❖ **Selections:** 80%/50% coinsurance, no deductible in network, \$500/\$1,000 out of network. If PCP is selected and referrals obtained, there is a \$30 copay for office call visits, then in-network services are paid at 80%. Out of network services subject to deductible, applicable copay and 50% coinsurance. Out of pocket maximum in network is \$3,500/\$7,000. Out of network 10,000/\$20,000. Prescription drugs covered at \$15/\$40/\$60.

With the exception of the Selections plan, all plans are also available through Asuris Northwest Health for those employers located in Eastern Washington.

3.3 Vision Coverage

Vision coverage is included in all plans except the PPO 50/50 deductible plans. Eye exams are subject to copay and/or coinsurance, except on PPO 750 & PPO 1000, where exams not subject to copay. For all vision plans, hardware is reimbursed at coinsurance level to a \$200 maximum every two years. Vision coverage is not subject to the medical plan deductible (if any).

3.4 The Fine Print

1. All quoted rates are guaranteed for a 12 month period, starting with effective dates between January 2009 and December 2009, except in the case of:
 - Government mandated benefit change;
 - New or revised government taxes imposed on Regence revenue;
 - An amendment of the benefit plan or contract;
 - Any change in the type or number of reports received by the broker/group;
 - Any change in employer contribution, employee eligibility or probationary period; or
 - Enrollment change of 10% in any single month or 25% in any three consecutive months.
2. All rates released assume Regence is the sole carrier for the group's medical product. If any other carrier is introduced for medical coverage, the proposed rates are invalid and Regence retains the right to re-evaluate the group.
3. New groups will be audited by Regence at the time of submission to ensure underwriting criteria has been met.
4. All rates released include applicable taxes.
5. All rates released are based on the employer contributing:
6. A minimum 75%/0% employer contribution will be required.

7. A 20-hour per week minimum and standard probationary period is assumed under each individual member group.
8. A minimum 75% of eligible employees must enroll in the group plan. If participation falls below 75%, then employees choosing to waive coverage must have valid waivers.
9. All rates assume that none of the deductible, coinsurance or copayments will be self-insured by the group, except those specifically identified as such.
10. Members must be covered by Regence for three consecutive months to be eligible for benefits related to preexisting conditions (as specified in the health care service contract) and for 6 consecutive months for transplant benefits. Credit for preexisting conditions will be provided for members covered under "creditable coverage" (as defined in the Health Insurance Portability and Accountability act of 1996) within three months prior to enrolling in a plan selected from this renewal. A person must apply within three months of being covered under the prior "creditable coverage." No waiting period credit is provided for transplant benefits if a person does not transfer to this plan directly from another Regence contract underwritten by any of the affiliated Regence Group Plans.
11. Regence reserves the right to immediately review our Underwriting position on an individual member group if enrollment changes by more than 10.0%.
12. All prospective groups' risk levels will be determined using the rate model issued by Regence for groups of 5– 50 eligible employees. Regence underwriting will quote group of 51 and above, groups that currently are covered under Regence or another Regence Association, and groups with no current coverage. Regence underwriting will review all groups that are on the restricted industry to determine if a quote is to be released (**please see list on p.10**).
13. A minimum of 5 enrolling employees is required to release a quote through EST.
14. Dual choice will be allowed on a limited basis to groups with 10 or more enrolling employees. Per the dual choice matrix (see Appendix), only certain plans may be combined in a dual choice arrangement. For employers with 10 – 24 enrolled employees, rates will be adjusted up one risk level for dual choice. An employer may also select two plans if eligibility for each is by class of employee, and not employee choice, but in these instances each plan will be rated separately.
15. Proof of common ownership may be requested for any groups that are to be rated together as one entity.
16. Retirees are not eligible for coverage unless they qualify for a COBRA extension.

17. The quoted rates assume that Regence will not be subject to the benefit, or administrative mandates of any other states. In the event that a benefit or administrative mandate is applicable or imposed upon us, we reserve the right to immediately reevaluate our underwriting position. This renewal assumes that all claims will be processed by Regence.
18. Groups with 50% or more employees residing outside The Regence Group (TRG) area may be eligible to receive a quote, but will be subject to underwriting review.
19. The rates assume a true employee/employer relationship and at any time, proof may be required documenting that this relationship exists.
20. Rates are valid only for active, full-time employees and their dependents. Coverage is not offered to part-time employees. Commissioned salespeople and independent contractors whose earnings are reported on IRS form 1099 are not considered eligible employees. Employees must be reported on the firm's regular payroll system, appearing on their quarterly report of wages filed with the Washington State Employment Security Department.
21. Dependent eligibility must flow through the enrolled subscriber. The rates assume common eligibility between all lines of coverage.
22. Regence reserves the right to re-rate if any of assumptions/conditions prove contradictory. Underwriting must be informed of any conflicts.
23. All sub-brokers that request rates through the Trust must be appointed by Regence prior to receiving a quote.
24. Regence will require that a copy of each Group Master Application between each individual member group and EST be submitted to Regence Underwriting prior to the enrollment of each individual member group. The Group Master Application must clearly state that the group is meeting all underwriting guidelines for contribution, participation, minimum work hours, probationary period, that a true employer/employee relationship exists, etc. Each Application must be signed and dated by an officer of the individual member group.
25. A non-compete provision will apply to the Trust and other Regence business. This non-compete will stipulate that groups currently underwritten directly through Regence or covered under another association program with Regence will not be eligible for coverage under the Trust until they have participated in the Trust for at least six months. A participation letter (see Appendix) is available on the Trust website. Other provisions of the non-compete will apply. Please see the entire contract language of the non-compete provision for details.

3.6 Restricted Industries

3.6.1 Required information:

- Two year Rate and Benefit History
- If Rate history is not available, 2 years of claims history is required.
- Group must contribute 100% of the employee premium

3.6.2 Restricted Industries Include:

- Sovereign Nations
- Car dealers
- Casinos
- Commission Sales Organizations
- Hospitals
- Clinics
- Mental Health Organizations
- Law Firms
- Mining
- Non-profit agencies
- Commercial fishery operations
- Nursing Homes
- Convalescent centers
- Retirement Homes
- Real Estate Firms
- Restaurants
- Taverns
- Nightclubs
- Card rooms
- Bowling Alleys
- Churches
- Day Care Centers
- Hotels, Resorts
- Recreational/Fitness Centers
- Industries with High Turnover

3.6.3 Ineligible Industries Include:

- Public Employers (Government)
- Clubs
- Social Organizations
- Fraternal Orders
- Membership Organizations
- Labor Unions / Taft Hartley Trusts

4.0 DENTAL PLANS

4.1 Four Dental Plans

- ❖ **Plan 1:** \$50/\$150 annual deductible, waived, 100/80/50 to \$1,000 annual maximum. Plan 1 is an Enhanced PPO, benefits paid at 100/90/50 when service is provided by a PPO dentist.
- ❖ **Plan 2:** \$25/\$75 annual deductible, waived, 100/80/50 to \$2,000 annual maximum. Plan 2 is an Enhanced PPO, benefits paid at 100/90/50 when service is provided by a PPO dentist.
- ❖ **Plan 3:** \$25/\$75 annual deductible, waived, 80/80/50 to \$2,000 annual maximum.
- ❖ **Plan 4:** \$25/\$75 annual deductible, waived, 100/80/50 if PPO Dentist is used, 80/70/40 if PPO Dentist not used to \$1,500 annual maximum.
- ❖ **Orthodontia:** For dependent children only, available as an option to groups of 10 or more. Benefit is 50% to \$1,000 lifetime benefit.

	Plan 1	Plan 2	Plan 3	Plan 4
Deductible*	\$50/\$150	\$25/\$75	\$25/\$75	\$25/\$75
Annual Max	\$1,000	\$2,000	\$2,000	\$1,500
Preventive	100% / 100%	100% / 100%	80%	100%/80%
Restorative	90% / 80%	90% / 80%	80%	80%/70%
Major	50% / 50%	50% / 50%	50%	50%/40%
Orthodontia	50% to \$1,000	50% to \$1,000	50% to \$1,000	50% to \$1,000

*Deductible is waived for preventive services.

4.2 The Fine Print

1. Washington Dental Service requires that participation in their plans exactly match medical plan participation. There is no uncommon eligibility, including dependents.
2. Orthodontic coverage is available for dependent children only and only to groups of ten or more employees.
3. Deductible and plan maximums are based on a calendar year.
4. WDS reserves the right to audit Trust and employer records to verify eligibility requirements are being met.

5.0 LIFE INSURANCE/ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE/DEPENDENT LIFE INSURANCE

5.1 Mandatory Coverage

Trust plans include \$10,000 of Life Insurance and Accidental Death & Dismemberment coverage on all employees.

Dependent Life Insurance is also included. The employee is the beneficiary, and benefits are paid as follows:

Spouse	\$2,000
Child	\$1,000

5.2 Optional Coverage

There are two other amounts of life coverage, which are available upon request:

- \$25,000
- \$50,000

All amounts are guarantee issue.

5.3 The Fine Print

1. **All employees** MUST be covered for Life/AD&D and Dependent Life insurance, even if they waive medical and dental coverage.
2. Insurance amount reduces to 60% at age 70, to 40% at age 75, and to 30% at age 80.

APPENDIX

- ❖ EST Letter (for current Regence groups)
- ❖ Late Submission Letter
- ❖ Dual Choice Matrix
- ❖ CareEnhance 24 Hour Nurse Advice Line
- ❖ Special Beginnings Maternity Management Program