



QUOTE ASSUMPTIONS

1. Medical and Life/AD&D are compulsory* and are offered to employers on a packaged basis only. All enrollees must enroll in all lines of coverage selected by the employer (packaged and optional, excluding voluntary programs) for which they are eligible. No freestanding benefits are available to any enrollees (except as provided under COBRA).
2. Employer participation in the Vision* and Dental Plans are optional. If optional coverage is purchased, the eligibility must be the same as the Medical Plan eligibility for both employees and dependents.
3. **Dual Option Coverage:**
 - Participating Employers of less than 20 enrolled employees will not be offered a dual choice on the medical program.
 - Participating Employers of 20 or more enrolled employees may select dual options from the Dual Option Matrix at www.wahit.com.
 - No dual plan option will be implemented unless both plans have at least 5 employees who have elected to participate.
 - **Dental Plans:** No dual options coverage will be offered in the Dental Plans.
4. 50% of enrolled employees must reside in Washington State with the exception of employer groups located in Clark County Washington.
5. Contribution/Participation Assumptions:
 - 100% Employer Contribution/Participation Assumption: If an employer contributes 100% of the employee premium, 100%* of all eligible employees must enroll regardless of coverage elsewhere. If an employer contributes 100% of the dependent premium, then 100% of the dependents must enroll regardless of coverage elsewhere.
 - Less than 100% Employer Contribution/Participation Assumption: If an employer contributes less than 100% but no less than 75% of the employee premium, a minimum of 75%* of eligible employees (regardless of coverage elsewhere) must enroll. At least 70%* of eligible dependents must enroll.
 - *75% is the minimum employer contribution for employees. WAHIT will accept 50% contribution for employees when there is also 50% or more contribution for dependents.

Note: For those employers eligible for Medicare Primary Payer, employees and their eligible spouses age 65 and older who chose to waive coverage through WAHIT, need not be counted in calculating the percentages.
6. This quote is contingent upon the condition that the WAHIT sponsored medical plan(s) is the only medical coverage offered.
7. Our standard policy provisions apply. We will not duplicate the present plan of benefits.
8. A Washington Alliance for Healthcare Insurance Trust Group Health Risk Questionnaire is required. The Trust reserves the right to rerate the participating employer if the completed questionnaire is not received before the quote is prepared. If the Group Health Risk Questionnaire is more than 3 months old on the effective date of the new participating employer, the broker will be required to request an updated questionnaire from the participating employer.
9. WAHIT does not provide coverage for retirees.
10. Medicare Coordination of Benefits: Carrier will pay Medical and Rx claims primary to Medicare.
11. Recertification by the medical carrier is required on any disabled or handicapped dependent child(ren) over 25 years of age.
12. Proposed rates are based on the census provided. Final rates are based on actual enrollment, pending verification and approval by the General Agent of the Trust.

*Effective 10/01/06, Vision coverage is optional for new groups and renewing groups as they renew.



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13. Any deductibles satisfied under the prior carrier may be credited by completing a Deductible Credit form or with a report generated by the prior carrier showing social security number and amount to be credited for each enrollee as a separate amount. Pre-existing waiting periods will be credited by submitting proof of prior "creditable" coverage.
14. Quotes are valid only for effective date shown on the proposal and are based on the information provided; however, this proposal may be invalidated if the information provided has been misrepresented. In addition, if at any time prior to the effective date of the coverage the employer or the agent learn of information that could materially affect the overall employer risk that was not disclosed on initial submission, then it must inform WAHIT. Final rates as verified and approved by the General Agent of the Trust are guaranteed for 12 months beginning on the first day of the policy. WAHIT reserves the right to recalculate rates at any time during the employer's contract year if: the enrollment of the participating employer changes by more than 10%; and/or if federal, state, or local authorities mandate material benefit, eligibility, procedure or tax changes.
15. Quote is based on only one classification of employees and one probationary period for all employees unless otherwise clearly specified in the request for proposal. Participating employers with less than 20 employees are not eligible for multiple classifications and/or terms of eligibility (probationary periods, employer contribution levels, weekly hours). Multiple employee classifications must be non-discriminatory and preclude individual selection by the employer or the employees.
16. All (non-HSA and Non-HRA plan) rates assume that none of the deductible, coinsurance, or copayments is self-insured.
17. The medical plan carrier will contract with one legal entity in which a true employer/employee relationship exists with all eligible employees. Documentation substantiating this relationship may be requested.
18. **Quote Assumptions pertaining to HSA and HRA Plans:**
 - Agents/brokers should note two rates on quotes:
 - one for employers who wish to contribute 50% or less of the applicable deductible to the HSA plan fund
 - one for employers wishing to contribute from 51% to 80% of the applicable deductible to the HSA Plan fund.
 - If the HSA or HRA Plan fully replaces other plans (total replacement), all other standard underwriting rules apply.
 - Only one HSA and/or HRA plan may be offered. Dual offering of an HSA and an HRA plan is not allowed.
 - The HSA or HRA rates assume that part of the plan will be self insured confined within the provision of the applicable HSA or HRA platform.
 - The agents/broker must notify WAHIT about HRA plans prior to or at the time they request a quote.
 - Only groups with 20+ enrolled employees will be allowed to sponsor an HRA in conjunction with a WAHIT plan.
 - HSA Only - A person changing status from individual to family, due to a qualifying event, must satisfy the family deductible before: (1) any claims are paid or (2) any further claims are paid.
19. If any of the above terms (#1 - 18) are not met, then the medical carrier reserves the right to immediately change rating components or void the proposal.