

CareFirst of Maryland, Inc.
doing business as
CareFirst BlueCross BlueShield (CareFirst)
10455 Mill Run Circle
Owings Mills, Maryland 21117-5559

A private not-for-profit health service plan incorporated under the laws of the State of Maryland

An independent licensee of the Blue Cross and Blue Shield Association

GROUP CONTRACT APPLICATION

DENTAL AND VISION PRODUCTS

This form should be completed for a new Group, or an existing Group selecting a new dental or vision product or making a jurisdictional change at the annual renewal, if the Group does not have a health benefits program through CareFirst or another CareFirst affiliate. The Group is required to complete this Application in its entirety, in black ink, and sign, date and return it to the Group's CareFirst Sales Representative.

If the Group is an existing Group amending the current coverage or changing general information, the Group is required to complete, in black ink, *only* the sections in which the information is changing, sign and return this Application to the Group's CareFirst Sales Representative.

This Group Contract Application is a part of the Group Contract issued to the Group through which the Subscriber is enrolled for dental and/or vision benefits. In addition, the Group Contract includes other provisions that explain the duties of CareFirst and the Group such as the payment of premiums when they are due and the fulfillment of the Group's obligations stated in the Group Contract. The provisions of this Group Contract Application remain in effect at the Group's annual renewals, unless a revised Group Contract Application is submitted to CareFirst or if the Group Contract is amended or terminated in accordance with the terms of the Group Contract.

Do not alter this document except to fill in the blanks and check the boxes provided. This Application will not be accepted if any other changes are made.

GENERAL INFORMATION

CareFirst Group Number (if available): _____

Name of Organization: _____

Physical Location:

Street Address: _____

City: _____ State: _____ Zip: _____

Mailing Address (if other than above):

Street Address: _____

City: _____ State: _____ Zip: _____

Billing Address (if other than above):

Street Address: _____

City: _____ State: _____ Zip: _____

Group Administrator (Person to Contact):

Name: _____ Telephone Number: _____

Title: _____

Email Address: _____

Chief Executive Officer/President

Name: _____ Telephone Number: _____

Title: _____

Email Address: _____

Type of Organization

Sole Proprietorship

Partnership

Corporation

Other _____

Nature of Business: _____

Federal Tax Identification Number: _____

GROUP MINIMUM ENROLLMENT REQUIREMENTS

It is understood and agreed that in order to be eligible for coverage and maintain such eligibility, the Group must meet the following requirements.

Minimum Enrollment Requirements for Freestanding Dental and Vision Products

The Group must enroll and maintain enrollment (unless otherwise approved by CareFirst) as stated below:

When a Group selects employer-sponsored freestanding dental and/or vision benefit coverage, the Group must enroll and maintain enrollment of at least 75% of all eligible employees for the employer-sponsored dental and/or vision coverage. If at any time there are less than 75% enrolled in the employer-sponsored dental and/or vision products; CareFirst reserves the right to rescind the proposal (if prior to effective of the applicable Group Contract), revise the rates, terminate the product that does not meet the 75% requirement, or refuse to renew the product that does not meet the 75% requirement.

For Groups with 50 or fewer eligible employees, when a Group selects Voluntary dental benefit coverage, the Group must enroll and maintain enrollment of the lesser of ten (10) eligible employees or 35% of all employees eligible for the Voluntary dental coverage. If at any time there are less than ten (10) eligible employees or 35% enrolled in the Voluntary dental coverage, CareFirst reserves the right to rescind the proposal (if prior to effective of the applicable Group Contract), revise the rates, terminate the product that does not meet the requirements, or refuse to renew the product that does not meet the requirements.

For Groups with more than 50 eligible employees, when a Group selects Voluntary dental benefit coverage, the Group must enroll and maintain enrollment of 20% of all employees eligible for the Voluntary dental coverage. If at any time there are less than 20% enrolled in the Voluntary dental coverage, CareFirst reserves the right to rescind the proposal (if prior to effective of the applicable Group Contract), revise the rates, terminate the product that does not meet the 20% requirement, or refuse to renew the product that does not meet the 20% requirement.

For Groups that select Voluntary vision benefit coverage, there are no minimum enrollment requirements for the Voluntary vision benefit coverage.

If at any time total enrollment increases or decreases by 10% or more, CareFirst reserves the right to rescind the proposal (if prior to effective of the applicable Group Contract), revise the rates, terminate this Group Contract, or refuse to renew this Group Contract.

The basis for determining whether an enrollment increase or decrease has occurred will be the total enrollment:

1. On the effective date or contract renewal date versus the total enrollment proposed at the time the rates were developed; and
2. On the first day of any month during the contract period versus the total enrollment proposed at the time the rates were developed.

At least one employee must be employed full-time and enrolled under the Group's dental or vision coverage on the first day of the plan year. (Note: Those employees with complementary to Medicare coverage do not count toward the one employee minimum enrollment requirement.) Enrolled Groups that drop to less than one full-time employee at this time should contact their CareFirst Sales Representative to arrange for individual direct pay coverage.

Exclusions from Requirement Calculations (Applicable to All Products)

The following eligible employees will be excluded from any count of eligible employees for purposes of calculating compliance with any minimum enrollment requirement above:

1. Those eligible employees who have coverage under their spouse's or parent's group coverage, TRICARE, Medicare as primary under TEFRA, or their prior employer's plan under COBRA.
2. Those eligible employees enrolled in other CareFirst coverage or covered under any CareFirst affiliate.
3. Those employees who obtain coverage through the Individual Exchange where the employer does not offer affordable coverage and minimum essential coverage as defined under the Affordable Care Act.

Former employees, if eligible below, will not be included in the total number of eligible employees or the total number of enrolled employees for purposes of calculating compliance with any minimum enrollment requirement.

CareFirst will notify the Group of any rate adjustments no later than 45 days prior to the effective date of the rate change.

Annual Enrollment Certification

CareFirst reserves the right to inspect the records of the Group after 60 days from the effective date of the Group coverage in order to verify the eligibility of employees and their dependents. In addition, the Group agrees to complete and return to CareFirst an eligibility audit and/or census report annually.

EMPLOYER CONTRIBUTION

To be eligible for CareFirst Group dental and/or vision benefits coverage, the employer must identify the contribution level that applies to the dental and/or vision benefits coverage in the checkboxes below. If the employer's contribution for enrolled employees is an amount equal to at least 50% of the cost of the Individual Coverage for enrolled employees, then the employer should select employer-sponsored below. If the employer's contribution is less than 50% of the cost of the Individual Coverage, the plan will be considered Voluntary, and the employer should select Voluntary below. If the employee or participant in

the Group agrees to pay the entire premium for the coverage to the Group, then the employer should select Voluntary below.

If the Group selects dental benefit coverage, the Group must specify if the coverage will be:

- Employer-sponsored or
- Voluntary

If the Group selects vision benefit coverage, the Group must specify if the coverage will be:

- Employer-sponsored or
- Voluntary.

EMPLOYEE ENROLLMENT ELIGIBILITY REQUIREMENTS

The following individuals identified below (“Subscribers”) are eligible to enroll themselves (and any dependents), as long as they meet the additional eligibility and enrollment requirements stated in the Evidence of Coverage and any attachments thereto.

Full-Time Employees: All employees (including owners and partners) who are regularly employed on a full-time basis working at least 30 hours a week on a regular basis are eligible to enroll. Seasonal employees and independent contractors, such as subcontractors, who received a 1099, are not eligible to enroll. The IRS has issued guidance on when individuals could be treated as either an employee or independent contractor. Employers are encouraged to review this guidance and consult with an attorney or accountant, if needed.

All former employees (and any dependents), enrolled under the Group’s prior health coverage, whose eligibility for group coverage has been extended due to COBRA requirements or the Maryland Continuation of Coverage provisions, are eligible to enroll.

Specify the following additional Subscribers that the Group wishes to cover, even if the Group does not currently have such individuals in the Group.

- Part-time employees who work at least 17.5 hours per week on a regular (not seasonal or temporary) basis for more than six months each year.
- All Retirees in accordance with the provisions of the Group’s retirement program, as amended from time to time, who retired prior to the effective date of this coverage. (Available only if the Group covered retirees under the Group’s prior health coverage.)
- All Retirees in accordance with the provisions of the Group’s retirement program, as amended from time to time, who retire on or after the effective date of this coverage.
- All former employees who terminated employment due to disability prior to the effective date of this coverage may enroll for a period of not more than two years. (Available only if covered under the Group’s prior health coverage.)
- All eligible individuals who terminate employment due to disability after the effective date of this coverage may enroll for a period of not more than two years. (Available only if covered under the Group’s current coverage with CareFirst prior to disability.)
- All individuals, not described above, who are defined as being eligible for coverage as a Subscriber in the Group’s written employee benefit policies, as amended from time to time.
NOTE: The Group’s written employee benefits policies must comply with all applicable federal, state and local laws and regulations. CareFirst reserves the right to review, prior to the effective date, the Group’s written employee benefit policies applicable to the product selected for compliance with all applicable laws.

Note: No individual is eligible to enroll under the Group's coverage both as a Subscriber and as a dependent. If the Group employs both spouses of a family (or both Domestic Partners, if applicable), they may not both select a Type of Coverage that is Individual and Adult Coverage or Family Coverage.

CareFirst may at reasonable times examine the Group's pertinent records (including payroll records) with respect to eligibility and premium payments. CareFirst may establish reasonable requirements of proof to confirm the eligibility of Members. The Group agrees to provide, within 31 days of request, any information that verifies its compliance with the enrollment guidelines.

DOMESTIC PARTNER ELIGIBILITY

Specify below whether Domestic Partners of Subscribers will be eligible to enroll as dependents:

YES NO Domestic Partners of Subscribers are eligible.

ENROLLMENT EFFECTIVE DATES

Coverage of the following eligible individuals becomes effective on the date that the Group Contract becomes effective:

1. Existing eligible individuals who are currently enrolled under the Group's prior dental and/or vision health coverage if selected above;
2. Former employees, who are currently enrolled under the Group's prior dental and/or vision health coverage, whose eligibility for group coverage has been extended due to COBRA requirements or the Maryland Continuation of Coverage provisions; and
3. Eligible individuals who enroll during an open enrollment period prior to the effective date of the Group Contract.

Coverage for an individual newly eligible to enroll as a Subscriber, and any eligible and enrolled dependents, is effective as stated below:

Select one:

- On the first day of the month following employment or eligibility, whichever is later.
- On the date of employment or eligibility, whichever is later.
- On the day after the Subscriber satisfies the Group's Waiting Period of _____ days after employment or eligibility, whichever is later. (Day range cannot exceed a total of ninety (90) days.)
- On the first day of the month following the date the Subscriber satisfies the Group's Waiting Period of _____ days after employment or eligibility, whichever is later. (Day ranges cannot exceed a total of sixty (60) days to ensure compliance with applicable law).
- Coverage will be effective at the time stated in the Group's written employee benefit policies, as amended from time to time.

NOTE: The Group's written benefits policies must comply with all applicable federal, state and local laws and regulations. CareFirst reserves the right to review, prior to the effective date, the Group's written benefit policies applicable to the product selected for compliance with all applicable laws.

TERMINATION OF COVERAGE

Coverage for enrolled Subscribers or any enrolled Dependents who are no longer eligible (other than on the basis of a dependent child's limiting age) terminates on the date stated below:

Select One:

- The date on which the Subscriber's employment or eligibility or the Dependent's eligibility terminates.
- The last day of the month in which the Subscriber's employment or eligibility or the Dependent's eligibility terminates.
- The time stated in the Group's written employee benefit policies, as amended from time to time. *NOTE: The Group's written employee benefits policies must comply with all applicable federal, state and local laws and regulations. CareFirst reserves the right to review, prior to the effective date, the Group's written benefit policies applicable to the product selected for compliance with all applicable laws.*

AGE LIMITS FOR DEPENDENT CHILDREN

Groups with 50 or fewer enrolled employees:

Dependent children are covered until: The last day of the month of their 26th birthday.

Groups with more than 50 enrolled employees:

Dependent children are covered until:

Select One:

- The last day of the month of their 26th birthday.
- The last day of the calendar year of their 26th birthday.
- On the date of their 26th birthday.
- The last day of the month of their _____ birthday. (Specify an age over the age of 26.)
- On the date of their _____ birthday. (Specify an age over the age of 26.)
- The last day of the calendar year of their _____ birthday. (Specify an age over the age of 26.)
- The time stated in the Group's written benefit policies, as amended from time to time.

(All dependent children must be covered to at least age 26.)

NOTE: The Group's written employee benefits policies must comply with all applicable federal, state and local laws and regulations. CareFirst reserves the right to review, prior to the effective date, the Group's written benefit policies applicable to the product selected for compliance with all applicable laws.

If the Group elects not to cover Dependent children who are full-time students beyond the Limiting Age defined above, skip the following section.

Dependent children may remain eligible after the age selected above as long as they are enrolled as full-time students in a public or private high school, college, university, graduate school, trade school, or other school and have a student certification on file with CareFirst until:

Select One:

- The last day of the month of their _____ birthday. (Specify an age of 27 or over.)
- The date of their _____ birthday. (Specify an age of 27 or over)
- The last day of the calendar year of their _____ birthday. (Specify an age of 27 or over.)
- The last day of the month of the student dependent's graduation or the end of the month of their _____ birthday, whichever occurs last. (Specify an age of 27 or over.)
- The date of their graduation or on his or her _____ birthday, whichever occurs last. (Specify an age of 27 or over.)
- The last day of the calendar year of their graduation or the last day of the calendar year of their _____ birthday, whichever occurs first. (Specify an age of 27 or over.)
- The time stated in the Group's written benefit policies, as amended from time to time.

(All dependent children must be covered to at least age 26.)

NOTE: The Group's written employee benefits policies must comply with all applicable federal, state and local laws and regulations. CareFirst reserves the right to review, prior to the effective date, the Group's written benefit policies applicable to the product selected for compliance with all applicable laws.

CareFirst has the right to verify student dependent eligibility status.

Note: Dependent eligibility must end in the same manner for dependent children and dependent students, i.e. at the end of the year, or the end of the month, or on the birthday. For example, the Group may not select end of the month for dependent children and end of the year for dependent students.

GROUP'S RESPONSIBILITY TO EMPLOYEES

In any case in which the employee is responsible for a portion of the monthly premiums, the Group must:

1. Advise the employee of his/her eligibility for coverage under the Group Contract;
2. Advise the employee when s/he may enroll for such coverage in accordance with the provisions stipulated in this Application and the Group Contract including the Evidence of Coverage;
3. Advise the employee when coverage will commence based on the aforementioned provisions and the date of completion of the enrollment form;
4. Advise the employee of the cost of such coverage to the employee and the method in which payment is to be made; and
5. Obtain from the employee a completed enrollment form and a signed agreement by the employee to pay the applicable portion of the monthly rates.

GROUP STATEMENTS

The Group agrees that in the making of this Application, it is acting for and on behalf of itself and as the agent representative of its employees and COBRA participants, and participants enrolled through the Maryland Continuation of Coverage provisions, and their dependents, if any; and it is agreed and understood that the Group is not the agent or representative of CareFirst for any purpose of this Application or any Group Contract issued pursuant to this Application.

The Group agrees to receive on behalf of its eligible employees and their dependents and COBRA participants, and participants enrolled through the Maryland Continuation of Coverage provisions, the Evidence of Coverage including all attachments, and all relevant notices furnished by CareFirst, and to forward such materials to these individuals.

The Group agrees that in the making of this Application, it has provided CareFirst with information regarding the eligibility of enrollees that is accurate and consistent with the requirements and provisions of the Patient Protection and Affordable Care Act of 2010, Pub. L. No. 111-148, 124 Stat. 119 (as amended and codified).

The Group understands and agrees that, unless the Notice of Intent of Grandfathered Status is completed and returned to CareFirst at each renewal, the health plan(s) selected by the Group in this Application will not be considered grandfathered plans under the Patient Protection and Affordable Care Act.

This Group Contract Application is part of the Agreement between the Group and CareFirst.

IMPORTANT NOTE: The Group's rate sheet, which describes the benefits and corresponding rates for the CareFirst coverage selected must be signed by the Group before coverage can be made effective. CareFirst reserves the right to revise the rates if the actual enrollment varies substantially from that used in the original rating or if applicable law or regulatory authority requires such revisions.

For Groups with more than 50 enrolled employees: The quoted rates and plan designs assume a Full Time Equivalent (FTE) employee count of 51 or greater. A current, completed FTE form indicating an FTE employee count of at least 51 must be submitted to CareFirst prior to implementation of the quoted plan designs and rates.

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

CareFirst may terminate the Group Contract immediately if the Group has performed an act or a practice that constitutes fraud; and/or if the Group has failed to comply with a material plan provision in the Group Contract relating to the employer contributions or group participation rules; and/or if the Group has made an intentional misrepresentation of material fact under the terms of the CareFirst coverage.

If the Group has any questions concerning the benefits and services that are provided by or excluded under the coverage for which the Group is applying, please contact a customer services representative before signing this Application.

ACCEPTED FOR:

_____ (Name of Organization)

BY: _____ (Printed Name of Authorized Officer)

_____ (Signature of Authorized Officer)

Title: _____ Date: _____

Broker (if applicable)

_____ (Printed Name of Broker)

_____ (Signature of Broker)

Email Address: _____

ID#: _____ Date: _____

Effective Date of Group Contract: _____