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2016 Plan Year Change for Small Groups (1–50) FAQ

Frequently asked questions about Wellmark's 2016 plan year change offer for small groups.

Q1: Why is Wellmark sending another letter about small group plan year change?

A1: On Feb. 29, the Centers for Medicare and Medicaid Services (CMS) announced a transitional relief extension through Dec. 31, 2017. The prior extension was only through Sept. 30, 2017. Based on this announcement, Wellmark made the business decision to extend the transitional relief offer. This lets eligible small groups change their plan year to Jan. 1 to maximize the amount of time available to consider their Affordable Care Act (ACA) health plan options.

Q2: My group normally renews Oct. 1 and did not receive the initial offer to change plan years and renewal dates. Why is Wellmark sending a letter now?

A2: Customers with Oct. 1 renewals were not impacted by the previous offer. However, since the federal government extended transitional relief through Dec. 31, 2017, the groups with Oct. 1 renewals can change their plan year to Jan. 1. This allows them to extend their current plan through the end of 2017.

Q3: If a group already accepted the previous offer to extend its plan year to Oct. 1, what are the group's new options?

A3: If a group already accepted the previous offer, it has two options:

1. Keep the Oct. 1 plan year and move to an Affordable Care Act (ACA) plan on Oct. 1, 2017.
2. Accept the new offer to change its plan year to Jan. 1. This allows the group to extend its plan through Dec. 31, 2017 — the maximum time allowed — and choose an ACA plan effective Jan. 1, 2018.

Q4: My group has already accepted Wellmark's earlier Oct. 1 renewal/plan year change offer that included a locked rate. Is there an advantage to accepting this new offer?

A4: Groups with an Oct. 1 renewal/plan year date that elect to change to a Jan. 1 plan year can keep their current plan and will get an extended rate lock that allows them to keep their Oct. 1, 2016 renewal rates through Dec. 31, 2017.

Q5: What advantage does the new offer have to groups with November and December plan year and renewal dates?

A5: By accepting the Jan. 1 plan year change offer, groups can keep their current plan and 2016 renewal rates through Dec. 31, 2017. This allows those groups to keep their current health plan as long as the law allows and have more time to consider ACA health plan options.



Q6: Does accepting the Jan. 1 plan year change offer impact the 2016 renewal process?

A6: If a group accepts the Jan. 1 plan year offer, it will go through the typical renewal process on its current 2016 renewal date, which includes receiving a CMS renewal letter and new Summary of Benefits and Coverage (SBC) documents. However, the group health plan will receive a renewal rate that remains in place through Dec. 31, 2017, as long as the group does not change its plan benefits within that timeframe. Groups are responsible for distributing the CMS renewal letter and SBC to all members.

Q7: What does a plan year change mean for a group's renewal date?

A7: For 2016, the group's plan year and renewal date will continue to align as they are today. A group that chooses to change its plan year to Jan. 1 will begin both its plan year and renewal date on Jan. 1, 2017, and last through Dec. 31, 2017.

A group that does not change its plan year and renewal date will move to an ACA plan upon its first plan year/renewal date on or after Jan. 2, 2017.

Q8: How does a group change its renewal and plan year date?

A8: Each group eligible for the plan year change offer will receive a mailing with information on how to change its renewal and plan year date. If a group would like to participate in the plan year and renewal date change offer, the group administrator must submit the Plan Year Change Response Form enclosed in the mailing.

To submit the form, group administrators should follow the three steps outlined in both the letter and the form:

1. Mark an "X" in the box on the Plan Year Change Response Form that aligns with their selection.
2. Print their name, and then sign and date the form.
3. Submit the form to Wellmark via the business reply envelope, email or fax by May 30, 2016.
The specific email address and fax number the group should use for submission will be indicated in the letter.

Q9: If a group misplaces the plan year change letter, how does their producer get the group a new form?

A9: The group's letter version will be specific to its current renewal situation and will contain prefilled account information on the response form. Wellmark requires the group to respond using only the form received in the plan year change mailing. To access an original copy of the group's letter, the producer should contact his or her Wellmark representative.

Q10: What is the deadline to submit the Plan Year Change Response Form?

A10: All groups must submit the appropriate form indicating whether it will change or keep its plan year by May 27, 2016. If a group does not respond by this date, their plan year and renewal date will stay as-is.

Q11: Can a group's authorized Wellmark representative submit the Plan Year Change Response Form on the group's behalf?

A11: No. The group administrator is responsible for signing and dating the Plan Year Change Response Form and submitting it to Wellmark by May 27, 2016.



Q12: If a group with a current renewal and plan year date of February through December moves to a Jan. 1 renewal and plan year date, will there be an annual enrollment period for the group's employees?

A12: Yes. Those groups may have an annual enrollment period that aligns with their current 2016 renewal and plan year date, as well as an annual enrollment period that ends Dec. 31, 2016, consistent with the Jan. 1, 2017, renewal and plan year date.

Q13: How does this change impact grandfathered groups?

A13: Groups on grandfathered plans are not included in this plan year change offer. Grandfathered groups will continue to experience plan year and renewal dates as they are today.

Q14: What if I also have Blue Dental coverage with Wellmark?

A14: If you accept the plan year change to Jan. 1, the Blue Dental rates offered at your 2016 renewal will also remain in place through Dec. 31, 2017.

Q15: Will Avesis vision plans be affected by electing a Jan. 1 renewal date?

A15: No. If a small group elects a Jan. 1 plan year and renewal date, the vision plan offering will have the same renewal date it does today. If a group would like to align its vision plan with its health plan offering, contact your Wellmark representative.

Q16: Will flexible spending accounts be affected by electing a Jan. 1 renewal date?

A16: Perhaps. Employers sponsoring an IRS Section 125 cafeteria plan should consider if — or to what extent — a change in the plan year for its group health plan will impact the plan year for its cafeteria plan. Groups are advised to discuss plan options with their Wellmark representative.

An employer with 50 or more employees should consider the IRS Employer Shared Responsibility regulations issued on Feb. 12, 2014. In addition, an employer sponsoring a cafeteria plan should consider whether (or to what extent) a change in the plan year for its group health plan will impact the plan year for its cafeteria plan.

Q17: Will members' deductibles reset?

A17: Calendar-year deductibles and out-of-pocket maximums will continue to reset on Jan. 1, as per current practice. This also includes any benefits with annual limitations.

Q18: If my group has an Average Employee Count (AEC) greater than 50 at the time of my 2017 renewal, can I move to an ACA plan or do I need to move market segments?

A18: If your group has provided an AEC to Wellmark that is greater than 50, you will not be eligible to move to a small group ACA plan. Your group will need to move to a Wellmark mid-size (51–100) or large group (101+) health plan at renewal. Please consult with your Wellmark representative to learn more about your options.

Q19: What if a group changes its mind after committing to change to a Jan. 1 plan year change?

A19: If a group changes its mind about the plan year change decision, it must contact Wellmark no later than June 30, 2016.

Q20: Can a group elect an ACA plan at this time?

A20: Yes. A group can elect an ACA plan now or when its transitional relief plan ends. Review the 1–50 Plan Comparison Guide for small group ACA plan options.



Q21: Will a group's rate change if it switches to a new ACA plan?

A21: Yes. Small groups currently on a transitional relief plan will see various rate impacts under an ACA plan. That's why small groups may want the opportunity to keep their transitional relief plans through Dec. 31, 2017, to evaluate their health plan options and the impact of the ACA on their business.

Q22: If a group chooses an ACA plan not on its renewal date, will this also be considered a renewal date change?

A22: Yes. If a group moves to an ACA plan off renewal, it is changing its plan year and renewal to whatever month that coverage becomes effective.

Q23: How will Agent of Record (AOR) rules apply when a group makes a decision to move to a Wellmark ACA plan via another agent?

A23: Current AOR rules for groups will apply. The standard AOR Transfer Request — Group Policy (AOR-1) form will be required to change the group's AOR designation. The group must submit the AOR Transfer Request form to change the Agent of Record. Wellmark will follow the standard Agent of Record process, which includes allowing a 15-calendar day rescission period. Otherwise, if a group uses a different agent to help in the transition to one of Wellmark's ACA plans, the group will still remain with the current AOR.

Q24: What happens if a group does not submit a Plan Year Change Response Form?

A24: If a group does not submit a Plan Year Change Response Form, it is indicating it does not wish to change its plan year and renewal date. This means the group's plan(s) will be moved to an ACA plan as of its next renewal date on or after Jan. 2, 2017.