

# AgentNews

## Transitional Program

### Offerings in 2017

*September 15, 2016*

Prevea360 Health Plan will auto-renew transitional small groups in 2017 on shortened contracts. This will allow small groups to stay on a pre-ACA plan until the program expires on December 31, 2017.

#### **Who will get shortened contracts?**

- Transitional groups renewing February 1, 2017 to October 1, 2017.

**Note:** January renewing groups will continue to renew on their pre-ACA, 12-month-policy until the program expires on December 31, 2017.

#### **What about November and December renewals?**

- 2016 renewals will continue to renew on their pre-ACA, 12-month policy.
- 2017 renewals will migrate to an ACA-compliant, 12-month policy.

#### **Will there be a rate increase at renewal?**

Yes

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## **Will cost-sharing (e.g., deductibles) start over at renewal?**

Yes

## **What are my clients' options?**

- **Auto-renew their pre-ACA plan.** Small groups get a shortened contract to align with a January 1 renewal date.
- **Switch to an ACA-compliant plan.** Small groups will get a 12-month contract and their renewal date will remain unchanged.

## **How will my clients switch to an ACA-compliant plan if they do not want to be auto-renewed on their existing pre-ACA policy?**

- Renewal materials will inform small groups how to elect an ACA-compliant plan.
- Agents should make sure their clients follow the renewal material process to ensure their pre-ACA plan is terminated upon transition to an ACA plan.

## **When will agents/clients be notified of the renewal rates and options?**

- Renewal materials will go out 75 days prior to renewal for small groups.

As always, contact your Prevea360 Health Plan sales agent with additional questions.