

## Overview & Instructions

In an effort to assist clients and members that are experiencing economic hardship during the Coronavirus pandemic, CareFirst is offering clients the opportunity to defer up to two months of premium with no interest or penalty. This overview provides details on the CareFirst deferral program and instructions on how clients can request to defer their premiums.

### Deferred Premium Overview:

- CareFirst will allow a client to defer up to two months of their medical, dental and/or vision premium for just March, or March and April, or just April, or April and May. Multiple months must be consecutive months (i.e. March & April or April & May).
- The deadline to request a March deferral is April 10th. The deadline to request an April deferral is May 10th. The deadline to request a May deferral is June 10th.
- The client must be paid current through the month prior to the requested deferral month. For example, if a client is requesting to defer April's premium, March must be paid current.
- The client must have CareFirst medical coverage. The deferral program does not apply to standalone dental and/or vision. All CareFirst premiums (medical, dental & vision) for the deferral month will apply.
- DC Health Link, MD SHOP Exchange or ASO self-funded clients are not eligible for the deferred premium option.
- The deferred premium (one or two month's total) will be divided by the remaining number of months in 2020:
  - 1 Month deferral example: March premium is deferred and the total March premium is \$12,000, divide by 9 months (April through Dec.) so the monthly deferral premium would be \$1,333.33 + whatever the regular monthly premium is for each of the remaining 9 months with the first premium due April.
  - 2 Month deferral example: March and April premiums are deferred. March's premium is \$12,000 and April's premium is \$13,000. The total deferral premium amount for both months is \$25,000 divided by 8 months (May through Dec.) with the monthly deferral premium amount of \$3,125 + whatever their regular monthly premium is for each of the remaining 8 months with the first payment due May.
- Delinquency/termination rules are suspended during the deferral period. Client will not receive premium reminder notices or termination notices.
- Standard delinquency/termination rules will apply outside of the deferred period. For example, if the client has deferred March & April, their May premium must include their March & April deferred premium portion as well. If the account does not pay both, they are delinquent and would result in termination. CareFirst would pursue all options to recover any delinquent amounts.
- If the client terminates their CareFirst program before December 31, 2020, the client will continue to be billed the outstanding deferred premium amount on a monthly basis until the end of the calendar year 2020.

*Continued on the following page.*

**FOR MORE INFORMATION,  
PLEASE CONTACT:**

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**If a Client is interested in deferring their CareFirst premiums, the following steps need to be followed:**

1. The Client would send GBS a letter or email (sample will be provided) requesting that their CareFirst premiums be deferred. The letter or email should indicate which month(s) they would like to defer. The letter or email confirms their understanding of how the program works and the payment requirements.
2. GBS would review the account to confirm they are paid current and will calculate the monthly premium deferral amounts, number of months and first payment month.
3. GBS will provide a letter to the Client confirming the approval of their deferred premium request, the months they are deferring, the monthly premium that is be deferred, the number of months remaining in the year and the resulting monthly deferred premium installment, and the first payment month due.
4. GBS will resume premium invoicing with the first payment month and the deferred premium amounts will be reflected as a single line item adjustment on the bill which will indicate "March deferred premium". If two months premiums are deferred, the invoice will reflect a separate line item adjustment for each deferred month in addition to their regular monthly invoice detail.
5. All premium amounts must be paid each month in full to keep the account active.

**If you have any questions regarding your Client's deferred premium, please contact your dedicated Account Administrator for assistance.**

**We wish you and your Client's good health and success during these difficult times.**

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