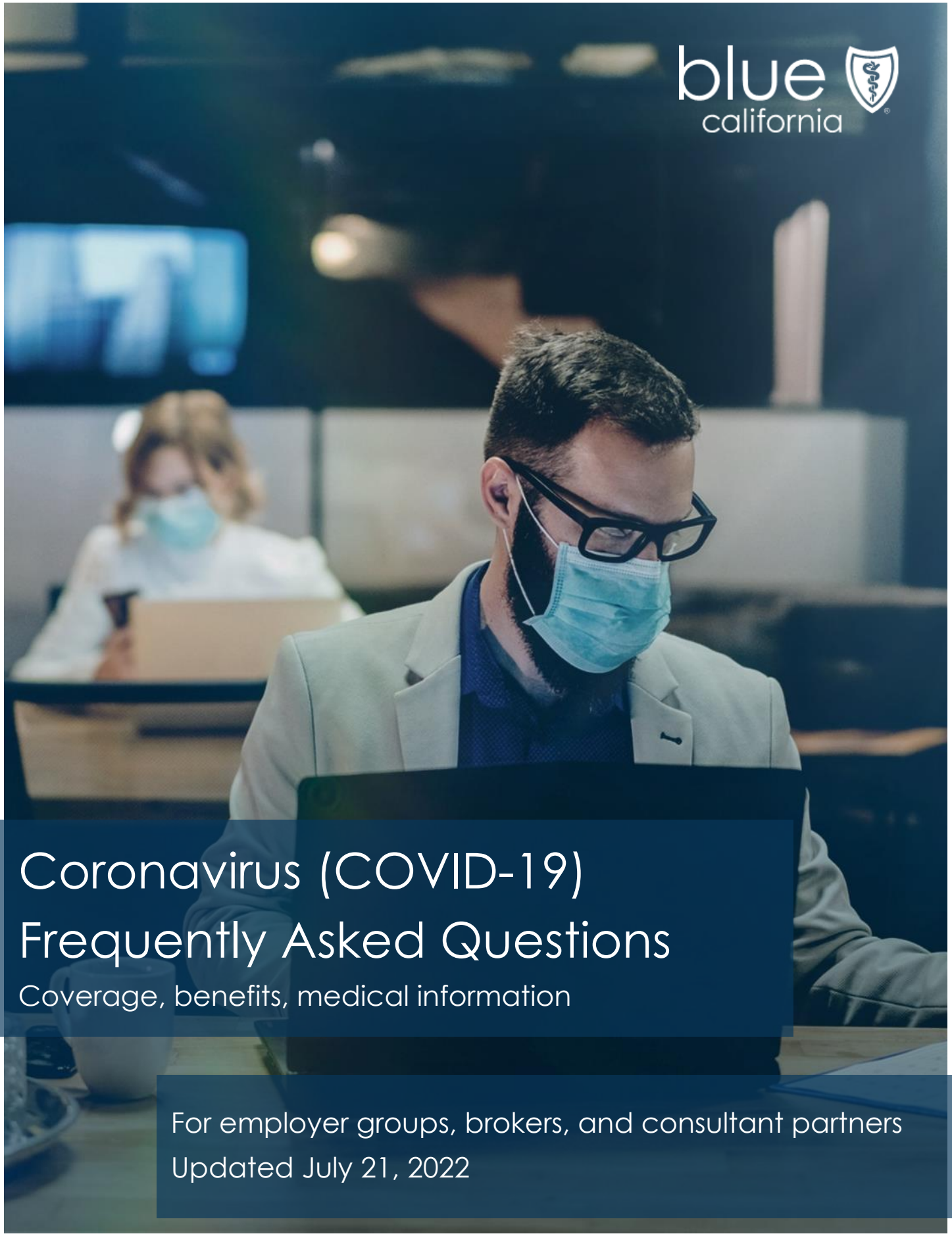

Coronavirus (COVID-19) Frequently Asked Questions

Coverage, benefits, medical information

For employer groups, brokers, and consultant partners

Updated July 21, 2022

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General coverage

Treatment coverage

1. **Are Blue Shield and Blue Shield Promise covering the cost of treatment for COVID-19?**
   Yes. Blue Shield and Blue Shield Promise waived out-of-pocket costs for co-payments, coinsurance, and deductibles for treatment for COVID-19 received between March 1, 2020 and February 28, 2021.[1]

   This applies to the following plan types:
   - Fully-insured and flex-funded employer-sponsored plans
   - Plans purchased through Blue Shield directly
   - Plans purchased through Covered California
   - Medicare Advantage plans
   - Medicare Supplement plans
   - Self-insured employer-sponsored plans where the plan sponsor elects to pay for copays, coinsurance, and deductibles for COVID-19 testing. These plans are not required to cover these costs. Blue Shield's account teams are working to communicate directly with self-funded clients regarding options for cost-sharing waivers.

   Blue Shield ended this program as of the end of February 2021. Treatment cost-sharing therefore was no longer waived after February 28, 2021. The cost-share waiver applied to those who were admitted on or before February 28, 2021 as indicated by the date of service on the claim, regardless of length of stay in the case of inpatient treatment. Standard member cost-share for COVID-19 treatment applied beginning March 1, 2021.

   Note that this does not impact the waiver of cost sharing for COVID-19 diagnostic testing and vaccine administration. Cost sharing waivers for testing and vaccine administration will remain in effect as required under applicable law.

   Please note: self-funded employer sponsored plans may have opted in to waive treatment cost-share beyond February 28, 2021. Please check with your Blue Shield account manager to verify.

   Medi-Cal and Cal MediConnect members have no out-of-pocket costs for covered services.

Testing coverage

Please view the download here for a detailed list of COVID-19 Testing FAQs.

Vaccine coverage

Please view the download here for a detailed list of COVID-19 Vaccine FAQs.

2. **Is Blue Shield and Blue Shield Promise covering COVID-19 vaccines?**
   Blue Shield of California and Blue Shield Promise will cover FDA approved or emergency use authorized COVID-19 vaccines without cost sharing, consistent with the requirements of federal law, including the guidelines in the Fourth Interim Final Rule (effective Nov 2, 2020) issued by the US Departments of Labor, Treasury, and Health and Human Services.

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This applies to both self-funded and fully insured plans. Self-funded plans are required to apply the same coverage that applies to any ACA-mandated preventive services. The coverage mandate for the vaccine does not apply to grandfathered plans, but those plans may choose to cover the vaccine without cost-sharing. For grandfathered plans that do not cover the vaccine without cost-sharing, vaccinations will still be available to enrollees without cost. Vaccine providers have other sources of funding for vaccine administration, and providers are prohibited from seeking reimbursement directly from individuals who are being vaccinated.

3. **What is the administrative cost for the COVID-19 vaccination and who is responsible for paying?**
   a. The COVID-19 vaccine and vaccine administration are mandated to be covered as preventive services without cost-sharing or balance billing to the member (grandfathered plans are not subject to this mandate, but may opt to provide coverage). This includes multiple doses, if needed or required.
   b. This coverage applies to both in and out-of-network providers during the COVID-19 Public Health Emergency.
   c. Effective March 15, 2021 the reimbursement rate (paid to the provider) for each vaccine dose is $40.00 whether the vaccine is a single or two-dose vaccine.
   d. The reimbursement rate or administrative fee (paid to the provider) for a booster dose is $40
   e. Non-grandfathered self-funded plans are required to apply the same coverage that applies to any ACA mandated preventive vaccine.
   f. Blue Shield will cover the administration fee for the COVID-19 vaccine for commercial HMO plans.
   g. Once the public health emergency ends, plans may choose to limit coverage to in-network providers.
4. **Will treatment for any vaccine related side-effects and adverse reactions be covered?**
   Treatment for vaccine-related side-effects and adverse reactions is a covered benefit under Blue Shield and Blue Shield Promise plans.

Other coverage

5. **What is the COVID-19 PPE Fee and is Blue Shield covering this fee?**
   A COVID-19 Personal Protective Equipment (PPE) fee (sometimes referred to as a "COVID-19 fee") is an additional charge, associated with frequent cleaning and disinfecting, and greater use of PPE in provider offices during the COVID-19 pandemic.

   Blue Shield is covering this fee during the duration of the Public Health Emergency. In-network providers are not allowed to bill the member this fee. Both in-network and out-of-network providers will be reimbursed the reasonable and customary amount of $6.50 for a visit.

Medical

Treatment

6. **Are there any limitations in coverage for treatment of an illness/virus/disease that is part of a pandemic?**
   No. Blue Shield standard contracts do not have exclusions or limitations on coverage for services for the treatment of illnesses that result from a pandemic.

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7. **Do HMO members still need to go through their allocated primary care provider (PCP) to get COVID-19 testing and treatment?**
   Yes, except in emergency situations.

8. **If a member visits an out-of-network provider for COVID-19 treatment, will it be covered?**
   In the case of a medical emergency, care provided by in-network and out-of-network providers will be covered for all plans. Outside of an emergency, members should seek care from in-network providers to save money and to prevent having to pay out-of-pocket.

   If a member has a plan with out-of-network covered benefits, Blue Shield will cover both in-network and out-of-network copayments, coinsurance, and deductibles for COVID-19 covered benefits. However, out-of-network providers may charge more than the covered benefit amount. In this case, the member may be responsible for paying the difference.

Testing

For a detailed list of COVID-19 Testing FAQs, please view the download here.

Vaccine

For a detailed list of COVID-19 Vaccine FAQs, please view the download here.

Prior authorization

9. **How is Blue Shield handling the DMHC APL 21-021 - Transfer of Hospitalized Enrollees per Regulation Section 1300.67.02 on the removal of barriers to transfer patients between facilities pursuant to a public health order?**
   Blue Shield is in compliance with the requirements set forth in the DMHC APL 21-021 - Transfer of Hospitalized Enrollees per Regulation Section 1300.67.02.

   There are no prior authorization restrictions on enrollee transfers (in the case of an emergency) between inpatient facilities during hospital surges, however, contracted facilities are required to notify Blue Shield within 72 hours of admission for medically necessary costs to be covered. Claims will be retroactively processed in accordance with the regulation back to January 15, 2021. Please note the scope of this state requirement includes all commercial lines of businesses, except self-funded (ASO or Shared Advantage) which are exempt from DMHC state requirements.

Pharmacy

Medication

10. **Are oral antiviral prescription medications a covered benefit?**
    Yes. Pfizer's paxlovid and Merck and Ridgeback Biotherapeutics' molnupiravir have received FDA emergency use authorization (EUA) for high-risk adult and pediatric COVID-19 patients as of December 2021. These two medications will be covered for Blue Shield and Blue Shield Promise members who have mild-to-moderate COVID-19 and are prescribed the medications by a healthcare provider.

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Note that these medications will not be a covered benefit for members without Blue Shield or Blue Shield Promise prescription medication coverage or who have prescription medication coverage carved out, including Med Supp and Medi-Cal members.

Approved pharmacies will receive the medications from the US government, as the antivirals have been purchased by the government for the test to treat program. The list of approved pharmacies can be found here: https://healthdata.gov/Health/COVID-19-Public-Therapeutic-Locator/rxn6-qnx8/data

Note that the list of approved pharmacies includes pharmacies that are both in and out of network for Blue Shield and Blue Shield Promise. BSC will pay a $10 dispensing fee to approved pharmacies, regardless of network status, for the medications. Members will not have a cost share.

Members should be advised to call ahead, or ask their provider to call ahead, to an approved pharmacy to verify availability of the prescribed medication prior to submitting a prescription.

Note that covering the EUA oral antiviral Rx medications is not mandated by or related to SB 510.

11. **Can Blue Shield and Blue Shield Promise members receive home health infusion by a nurse in their home instead of going to a hospital in order to avoid exposure to COVID-19, and help reduce traffic at the hospital?**
    If members normally receive drug infusion services in a facility, they should talk with their doctor about whether their drug infusion services should be continued and if they can be administered in home instead. If the member's physician or authorized prescriber determines they can safely receive drug infusions at home, Blue Shield and Blue Shield Promise members are eligible for physician-ordered and plan authorized home infusion services. To find a home infusion provider, members can search our Find a Doctor website or call Member Services at the number on the back of Blue Shield member ID card.

    - Blue Shield Commercial and Medicare Advantage Find a doctor tool
    - Blue Shield Promise Medicare Find a doctor tool
    - Blue Shield Promise Cal MediConnect Find a doctor tool
    - Blue Shield Promise Medi-Cal Find a doctor tool

Monoclonal antibodies

12. **What are monoclonal antibodies? What are the monoclonal antibodies used to treat COVID-19 and when can they be used?**
    Monoclonal antibodies are laboratory-produced molecules engineered to serve as substitute antibodies that can restore, enhance or mimic the immune system's attack on cells. The monoclonal antibodies are designed to block viral attachment and entry into human cells, thus neutralizing the virus. It is designed to limit viral replication and may be effective for the treatment of COVID-19 in patients who are at high risk for progressing to severe COVID-19 and/or hospitalization.

    There are currently two treatment options that have the FDA's Emergency Use Authorization used to treat COVID: Carisivimab/ imdevimab, made by Regeneron and Sotrovimab, made by GlaxoSmithKline. Bamlanivimab with etesevimab, made by Eli Lilly,

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was previously authorized and its used in treating COVID has been paused by the Assistant Secretary for Preparedness (ASPR) until further notice as of June 25, 2021.

Carisivimab/imdevimab and Sotrovimab are approved for the treatment of mild to moderate COVID-19 in adults and pediatric patients (age ≥12 years, weight ≥40 kg) with positive SARS-CoV-2 test, and who are at high risk for progressing to severe COVID-19 and/or hospitalization.

13. Are monoclonal antibodies given at the hospital? How are they given?

No, they are given in the outpatient setting by a home infusion nurse in the home, physician's office, or an outpatient infusion center. Neither drug is authorized for patients who are hospitalized or require oxygen therapy.

The products are given as a one-time dose. They are given intravenously through a needle that is placed in the patient's vein by a nurse or doctor. Patients will only need to take one of these drug regimens

Prescription refills

14. What happens if there are shortages of medications due to this pandemic?

In the event of a prescription drug shortage, Blue Shield has a standard process in place to take immediate steps so that members have access to alternative medications to treat their condition. Blue Shield's process includes monitoring drug shortage notifications from the FDA, evaluating and changing formulary coverage, and if necessary, identification of alternative medications to treat the same condition. Affected members and their prescribers will be notified of the shortage and applicable treatment alternatives in the event of a shortage.

Virtual care

15. Does your standard employer group plan contract cover telemedicine?

Telemedicine services are covered under Blue Shield's standard plan designs for fully insured and self-funded (ASO and Shared Advantage/Shared Advantage+), as follows:

- For all plans, telemedicine services are available as a covered benefit through those network providers that offer such services, including Mental Health Service Administrator participating providers.
- For fully-insured plans, telemedicine services are also available through Teladoc and Nurse Help 24/7.
- For self-funded plans, telemedicine services may also be available through Teladoc and Nurse Help 24/7, if the plan sponsor has elected to offer those programs.

In addition, Blue Shield is expanding access to telemedicine services in response to COVID-19 by allowing providers to offer COVID-19 screening services using an expanded range of telemedicine platforms, performed appropriately during the COVID-19 public health emergency. Please visit the website for further detail regarding the availability of telemedicine services.

16. If a member pays for the co-payment, either through an office visit or Teladoc, because the provider requested payment at time of service, will they be reimbursed?

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If a member is improperly charged for a co-payment, the member should call the number on the back of their member ID card and Customer Care will work with them to get a reimbursement issued.

Specialty

17. Will Blue Shield cover the cost of personal protective equipment (PPE) required by the American Dental Association?

After careful consideration it was determined that would discontinue our $10 PPE benefit after 8/31/20. This decision was based on programs now available to Dental Providers, including a $10M relief package offered by Dental Benefit Provider (DBP). Our program was intended to serve as a stop-gap while other programs were being established.

For dates of service on or before 8/31/20, the provider will include the PPE charge on the claim for reimbursement. Blue Shield's dental plan administrator is notifying network providers of this program so members should not be billed. Should a member visit an out-of-network provider and receive PPE charges, they can submit a claim to be reimbursed for the charge.

18. Will there be a special enrollment period for dental and vision plans?

For Small Group (1-100), employer groups had the opportunity to enroll new members off-anniversary through a Special Enrollment Period (SEP) through November 30, 2020, with December 1, 2020 as the latest effective date. This SEP was for employees who previously declined dental and vision coverage for themselves or their dependents. Enrollment requests must have been received on or before the 1st of the month for which enrollment was requested.

This applied to all fully insured employers; self-funded plan sponsors typically determine eligibility of group coverage, which is described in their plan document.

Eligibility and enrollment

Eligibility

19. Is Blue Shield enforcing active-at-work and minimum work hours?

Fully insured groups: The terms of the group service agreement continue to apply to employee eligibility for coverage. Please refer to your agreement, and note that there are provisions in most group service agreements that may allow for continued coverage for members who are impacted by a temporary suspension of work or temporary reduction of hours in certain circumstances (such as a layoff, furlough, or approved leave of absence), if permitted under the employer's policies regarding coverage, under the following conditions:

- If the subscriber ceases active work because of a disability due to illness or bodily injury, or because of an approved leave of absence or temporary layoff, payment of dues for that subscriber shall continue coverage in force in accordance with the employer's policy regarding such coverage.
- If the employer is subject to the California Family Rights Act of 1991 and/or the Federal Family & Medical Leave Act of 1993, and the approved leave of absence is for family leave pursuant to such Acts, payment of dues for that subscriber shall keep

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coverage in force for the duration(s) prescribed by the Acts. The employer is solely responsible for notifying employees of the availability and duration of family leaves.

ASO/SA+: Self-funded groups/Plan sponsors typically determine eligibility and continuation of group coverage, which should be described in the plan document. If the plan document does not detail furlough or reduction-in-force situations, the plan sponsor would have to make a determination of how to proceed with employees in these situations. For example, employees (and their dependents) who lose eligibility for coverage due to a furlough or reduction in force may be eligible to elect continuation coverage under COBRA or Cal-COBRA.

If the employer/plan sponsor continues to pay administrative fees, claims, and stop loss premiums (if applicable) for the workforce that is laid off/furloughed and not actively at work in the same manner as prior to COVID-19 crisis, there would be no change in coverage.

COBRA/Unemployment benefits

20. **Will Blue Shield allow customers to continue employee health benefits if part of the workforce is laid-off in response to the COVID-19 crisis?**
Fully insured groups: Yes, assuming the employer continues to remit premium payments for workforce that is laid off and not actively at work in the same manner as prior to COVID-19 crisis, there would be no change in coverage.

Self-funded groups: Yes, assuming the plan sponsor continues to pay administrative fees, claims, and stop loss premiums (if applicable) for the workforce that is laid off and not actively at work in the same manner as prior to COVID-19 crisis, there would be no change in coverage.

21. **If my employees are laid off, what are their options for continued medical coverage?**
- Employees can remain on group plan under the conditions described above; *or*
- Employees can elect Cal-COBRA/COBRA, if eligible, and will be liable to pay the full costs of coverage (unless their employer chooses to subsidize Cal-COBRA/COBRA premiums); *or*
- Employees can enroll in the individual marketplace (e.g., through Covered California). Employees may benefit from government subsidies to help pay for these premiums.

22. **If an employee is laid off and then re-hired, how long is the waiting period before they can join the medical plan?**
Fully insured groups: Blue Shield standard provision allows for waiving of waiting period if rehired within six months of cancellation of coverage. Check your contract for further details.

Self-funded groups: The plan sponsor/employer is responsible for eligibility determinations and should refer to the applicable provisions of their plans regarding eligibility and waiting periods for employees who are re-hired.

23. **Can groups temporarily suspend their medical plans if they shut down, rather than cancel and re-write?**
Groups may not temporarily suspend their plans.

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24. Can Blue Shield provide a group with a COBRA plan that is different from the plan the group offers to its active employees?

Groups are responsible for COBRA administration. In general, COBRA enrollees cannot be offered a plan that is different from the plan(s) offered to active employees, and a COBRA qualified beneficiary is entitled to elect COBRA continuation coverage only in the plan in which they were enrolled at the time of their COBRA qualifying event. If the employer offers multiple plans, a COBRA enrollee generally must wait until open enrollment to change plans.

25. Is Blue Shield allowing a special enrollment period as a result of the Taxpayer Certainty and Disaster Tax Relief Act?

Blue Shield is not offering additional flexibility for mid-year election changes based on the new guidance under the Taxpayer Certainty and Disaster Tax Relief Act and will continue to abide with existing rules that define when mid-year election changes are permissible.

26. Is Blue Shield providing plan election changes in response to the IRS guidance issued in May 2020?

Blue Shield is no longer offering downgrades in plan designs off-cycle, unless determined otherwise, on a case-by-case basis. Blue Shield will continue to offer plan election changes that were in place prior to this guidance at renewal.

In addition, Blue Shield was previously offering a Special Enrollment Period (SEP) for Small Group which ended on November 30, 2020. Blue Shield's COVID-19 SEP allowed individuals who previously declined coverage for themselves and/or their dependents to enroll without any of the standard qualifying life events. This COVID-19 SEP applied only to fully insured groups; self-funded plan sponsors typically determine eligibility of group coverage themselves.

27. What is the DOL guidance on the extension of certain COBRA and other deadlines during the "Outbreak Period"?

The DOL guidance provides an extension of certain standard deadlines related to COBRA continuation coverage, special enrollment, claims submissions, and appeals during the period from March 1, 2020 until 60 days after the announced end of the National Emergency, or such other date announced by the Agencies* (the "Outbreak Period"). The length of the deadline extension is one year from the date that individuals and plans were first eligible for relief, or until the end of the Outbreak Period - whichever comes first. Under the guidance, group health plans that are subject to ERISA must disregard the Outbreak Period in determining the following periods and dates:

- Deadlines for requesting special enrollment following qualifying life events
- Deadlines to elect COBRA and pay COBRA premiums
- The date for individuals to notify the plan of a qualifying event or determination of disability
- The dates within which individuals may file a benefit claim under the plan's claims procedures
- Deadlines for appealing an adverse benefit determination and requesting external review

The DOL guidance also permits plan sponsors and administrators to disregard the Outbreak Period when determining the deadline for providing eligible employees and qualifying beneficiaries a COBRA election notice.

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*Employee Benefits Security Administration, Department of Labor, Internal Revenue Service, and Department of the Treasury (the Agencies).

28. What does the DOL guidance on the extension of certain COBRA and other deadlines during the "Outbreak Period" mean for employees/Blue Shield members?

Under this guidance, for the duration of the Outbreak Period, all of the special enrollment, COBRA, claim submission, and appeals deadlines identified above will be extended. The length of the deadline extension is one year from the date that individuals and plans were first eligible for relief, or until the end of the Outbreak Period - whichever comes first. This means that for any member who would have otherwise been subject to one of these deadlines during this period, that member will have the deadline extended. This would provide the member with additional time to, as applicable, elect special enrollment, elect COBRA and pay COBRA premiums, notify their plan sponsor of qualifying events* and determinations of disability, file benefit claims and appeals, and submit requests external review.

If an individual elected COBRA continuation coverage outside of the initial 60-day COBRA election timeframe, that individual generally will have one year and 105* days after the date the COBRA notice was provided to make the initial COBRA premium payment.

If an individual elected COBRA continuation coverage within the initial 60-day COBRA election timeframe, that individual will have one year and 45 days after the date of the COBRA election to make the initial COBRA premium payment.

Individuals who delay electing COBRA may not have more than one year of total disregarded time for COBRA election and initial COBRA payment.

Primary impacts of the guidance set forth by the DOL in the IRS Notice 2021-58 reside with the COBRA administrator for a given employer group. Blue Shield is aware of the extensions and will update any of our existing processes/requirements in response to the new timelines.

*Refer to Department of Labor's Employers Guide to Group Health Continuation and Coverage Under COBRA for list of qualifying events or the DOL FAQs for more information

29. How is Blue Shield responding to the Department of Labor guidance regarding the extension of certain COBRA deadlines during the COVID-19 Outbreak Period?

The U.S. Department of Labor (DOL) announced on April 28, 2020 guidance for regulatory relief providing for "extension of Certain Timeframes for Employee Benefit Plans, Participants, and Beneficiaries Affected by the COVID-19 Outbreak." The DOL notice requires that from March 1, 2020 until 60 days after the announced end of the National Emergency, or such other date announced by the Agencies* (the "Outbreak Period"). The length of the deadline extension is one year from the date that individuals and plans were first eligible for relief, or until the end of the Outbreak Period - whichever comes first, standard regulatory timeframes related to COBRA continuation coverage, special enrollment, claims, and appeals should be disregarded. This guidance applies to all health plans subject to the Employee Retirement Income Security Act of 1974 (ERISA).

The following Blue Shield plans are subject to ERISA:

- Small business (1-100) plans
    - Note: Federal COBRA does not apply for groups under 20 employees
- Large group (101+) fully insured plans

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- Large group (101+) self-funded/Administrative Services Only (ASO) plans
- Shared Advantage and Shared Advantage Plus plans

Non-ERISA plans include government and church-sponsored plans.

For more information, please refer to the DOL website.

30. How is Blue Shield responding to the guidance regarding the extension of certain COBRA deadlines during the COVID-19 Outbreak Period?

According to the guidance, the Outbreak Period must be disregarded when calculating a qualified beneficiary's 60-day election period for COBRA continuation coverage, as well as when determining the date on which a qualified beneficiary is required to make COBRA premium payments. The disregarded period for COBRA election and disregarded period for COBRA premium payments generally run concurrently. COBRA administration is generally the employer group's obligation, and Blue Shield cannot provide legal or compliance advice on how to satisfy applicable COBRA requirements. We are providing the information below to address how Blue Shield will handle retroactive enrollment and disenrollment requests related to a group's implementation of the extended COBRA deadlines.

If a group wants to keep a COBRA enrollee's coverage in force, the group is required to pay the applicable premium. If the group has not received the premium payment from the COBRA qualified beneficiary, Blue Shield will not make an exception to this requirement. In this case, the group would have two options:

(1) Pay the premium on behalf of the COBRA enrollee to keep the coverage in force and try to collect the premium from the COBRA enrollee; or
(2) Disenroll the COBRA enrollee until the COBRA enrollee pays the applicable COBRA premium, at which point the group could seek to retroactively enroll the individual.

If a group follows option (1) and the COBRA enrollee fails to timely pay the required COBRA premium, the group may want to retroactively disenroll the individual and obtain a refund of the premium paid on the individual's behalf. A group's ability to request retroactive disenrollment and obtain a premium refund is defined in the group agreement. Blue Shield's group agreements generally limit retroactive disenrollment requests to a period of 60 or 90 days (groups should check their agreements for the applicable limitation). Blue Shield will not make exceptions to permit retroactive disenrollment going back further than what is permitted under the group's agreement, even if the retroactive disenrollment is related to the extended COBRA deadlines.

For option (2), Blue Shield will extend retroactive enrollment timelines beyond the current limitations in our group agreements to permit employers to make retroactive enrollments that are required to comply with the extended COBRA deadlines. For example, if an employer delays enrollment of a COBRA qualified beneficiary who has elected COBRA continuation coverage until the individual provides timely payment of the applicable COBRA premiums, Blue Shield will permit retroactive enrollment even if requested going back further than the retroactive enrollment period stated in the applicable group agreement.

Similarly, if an employer group chooses to disenroll an individual who has delayed payment of COBRA premiums based on the extended premium payment deadline, and the group later wants to re-enroll the individual retroactively after receipt of the applicable COBRA premium payments, Blue Shield will permit the retroactive enrollment

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even if it exceeds the retroactive enrollment period stated in the applicable group agreement.

In all cases, for Blue Shield to process the retroactive enrollment, the group would need to pay all applicable premiums for the period of retroactive enrollment.

The information provided above is for informational purposes and is not an attestation that any of the options discussed above will satisfy a group's COBRA compliance obligations. Groups may have additional COBRA compliance obligations related to the extended COBRA deadlines and should consult their attorneys or compliance advisors regarding any legal or compliance questions.

Business operations

31. Will medical management be impacted?
We are pleased to share that we have no disruptions for medical management, and we will continue to monitor the situation so that our members have access to care. The Blue Shield of California team is assessing current practices and reviewing service level trends for both utilization management and case management and actively adjusting practices as needed.

32. Is Blue Shield prepared to address any appeal that may come in if a provider or patient believes the claims were not processed correctly according to new requirements?
Blue Shield is preparing its grievances and appeals divisions (for providers and enrollees) to address any appeal that may come in if a provider or patient believes the claims were not processed correctly in the implementation of new regulatory requirements.

33. Does Blue Shield expect to keep their timelines for renewal delivery?
Yes. Blue Shield expects to keep our timelines for renewal delivery.

34. Will Blue Shield and Blue Shield Promise allow the use of electronic signature services?
Blue Shield and Blue Shield Promise will accept the use of electronic signature services (such as DocuSign) for policy documents, if initiated by the policyholder/producer. We are also working to operationalize the use of such services when sending signature requests to policyholders/producers.

35. Will the new Summary of Benefits and Coverage (SBCs) include COVID-19 related coverage?
Blue Shield has provided members and plan sponsors with notice of COVID-19 related coverage changes that would affect the content of previously issued SBCs for the current plan year. This notice has been provided in various forms, including direct email communications and postings on Blue Shield's website.

Blue Shield's approach for providing this information is consistent with the applicable SBC regulations and other guidance regarding the provision of required notices of coverage modifications that would affect the content of previously issued SBCs. Blue Shield therefore does not intend to issue revised SBCs for current plan years to address COVID-19 related coverage changes. For SBCs provided for future plan years, Blue Shield will incorporate information regarding any applicable COVID-19 related coverage changes, consistent with the requirements of the SBC rules.

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Administrative Services Only (ASO) and Shared Advantage

ASO: Eligibility

36. Is Blue Shield enforcing active-at-work and minimum work hours for self-funded groups?
Self-funded groups/Plan sponsors typically determine Eligibility and Continuation of Group Coverage which should be described in the plan document. If the plan document does not detail furlough or reductions-in-force situations, ultimately, it is up to the plan sponsor to determine how to proceed with employees in these situations.

37. What is the rate/claims implications of decisions regarding paid/unpaid leave, shared work, partial work, reduced hours and furloughs?
Effective through May 31, 2020, Blue Shield will not make off-anniversary changes to stop loss premiums due to change in employee work status.
If an employer/plan sponsor elects to lay off/furlough employees but continue to pay stop loss premiums as if they were active, we will continue coverage.

ASO: Stop loss

38. How does COVID-19 testing, treatment, and other related services affect my stop loss coverage through Blue Shield?
COVID-19 is treated like any other illness under our standard stop loss policy. For a plans with Blue Shield Life stop loss, Blue Shield Life will not require plan document changes to incorporate the COVID-19 benefit changes listed below and will accept the related charges as "covered expenses" under the stop loss policy without requiring mid-year changes to the current policy's aggregate factors and/or premiums. This would include changes in eligibility criteria. If you have stop loss coverage with any other plan than Blue Shield, please check with your stop loss carrier.

We will waive deductible and/or out-of-pocket charges for:

- COVID-19 testing and screening when a licensed or authorized provider is involved in providing or ordering the COVID-19 test
- Telemedicine or virtual doctor visits when a COVID-19 test is ordered
- Paying for out-of-network COVID-19 testing as required under applicable law
- Treatment of COVID-19 thru May 31, 2020 until February 28, 2021. Standard member cost-share for COVID-19 treatment applies beginning March 1, 2021.
- Waiving prior-authorization requirements on diagnostic testing or treatment of COVID-19 that may have otherwise applied.
- Allowing early refills of prescription medications.

The services listed above will accumulate towards the stop loss coverage.

39. Does your standard contract contain an exclusion or limitation for pandemics?
No. Our standard stop loss contract does not have an exclusion or limitation for pandemics.

40. Are you planning any changes to coverage terms, conditions or rates due to COVID-19, either midterm or at renewal, including renewal delay or extension?
At this point in time, we are monitoring the situation closely and have no plans to delay or extend renewals.

41. Will Blue Shield Life consider changes in deductibles mid-year for stop loss?
No.

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42. **What is Blue Shield Life's position regarding the stop loss contract, terms, provisions, and rates if there are any temporary (or long term) reductions in the group's enrollees?**
To maintain coverage under the stop loss policy, the employer/plan sponsor would need to continue to pay stop loss premiums for laid off/furlough employees. We would anticipate any furlough/laid off employees to be covered under the plan as an active employee or offered COBRA and the plan sponsor would continue to cover them under stop loss. For current in-force Blue Shield Life stop loss groups where employer continues to pay premiums for laid-off/furloughed employees, we will waive the Active at Work provision.

43. **Will there be any delays or changes to the process of stop loss claim reimbursement?**
Blue Shield Life does not see any impact to our process in advance funding for ASO/SA+ groups with Blue Shield Life stop loss.

44. **If clients are changing their leave policies, will Blue Shield Life update contracts to mirror language? Will there be a cost impact? What are your requirements for notification?**
Self-funded groups/Plan sponsors typically determine Eligibility and Continuation of Group Coverage, which should be described in the plan documents. If the plan document does not detail furlough or reductions-in-force situations, ultimately, it is the plan sponsor to determine how to proceed with employees in these situations. Groups with Blue Shield Life stop loss would need to notify us of the proposed change in leave policy. If approved, no update to stop loss contract would be required, but we would document the decision to allow for the updated leave policy.

45. **Will there be an introduction of, or change to, a minimum premium or floor?**
For ISL, Blue Shield does not have a minimum premium or floor. Please note there is a +/- 15% change in enrollment provision. Effective through May 31, 2020, Blue Shield will not make off-anniversary changes to stop loss premiums due to enrollment drops. For ASL, a minimum annual aggregate deductible continues as per stop loss policy.

46. **For self-funded groups with stop loss coverage from Blue Shield Life that are electing to provide special open enrollment under new federal guidelines, what does the plan sponsor need to provide Blue Shield?**
    1. Plan amendment and terms/conditions of the special enrollment period, including effective date
    2. An updated census outlining the new enrollees, term enrollees, and any enrollee changes (movement to new plan or plan tier)
    3. Completed health questionnaire for each new enrollee

    Blue Shield Life reserves the right to rerate, apply lasers, or add aggregating specific corridors depending on the information provided above. Enrollees without a completed questionnaire will not be covered by the stop loss policy. All changes must be consistent with the applicable IRS guidance and other law and applied in a nondiscriminatory manner.

ASO: Telemedicine

47. **If a self-funded employer currently has not purchased Teladoc but wants to add Teladoc, off anniversary, will Blue Shield allow a mid-year change?**
Yes. A group may elect to purchase Teladoc from Blue Shield and can customize copays at their discretion (including $0). Teladoc General Medical is required as a base product

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in order for Teladoc Mental Health to be purchased. Please contact your Blue Shield account team for more information.

Payments and finances

Rates

48. How have renewals been impacted due to lower than normal claims as a result of COVID-19?

We are applying an adjustment factor to normalize 2020 – 2021 data as a result of COVID-19, but are not adding any additional loading for increased claim levels in 2022 onwards.

Premium payments and credit

49. What are Blue Shield's policies for termination of benefits on delinquent payments? Will you consider a flexible payment schedule, such as an extended grace period for those who may be struggling due to COVID-19?

In 2020 Blue Shield introduced a flexible payment program for the Individual and Family Plan and Medicare Supplement plan members, and Small Business groups. These members and groups were able to use the flexible payment program for up to two months during the months of April, May, June, July, August, and September 2020. Details of this program are available here. For customers who are having difficulty paying their monthly premiums in 2021, please contact your Blue Shield account team for more information.

50. Is Blue Shield offering premium credits to employer groups and individual & family plans?

Blue Shield applied a one-time premium credit to the following market segments for the November 2020 or December* 2020 billing cycle:

- Medicare Supplement medical, dental, and/or vision plan subscribers
- IFP dental plan and/or vision plan subscribers (not IFP medical plans)
- Fully insured group medical, dental and/or vision plan employers (Flex-funded excluded)

Blue Shield applied a 10% credit on medical premiums and a 30% credit on dental and/or vision premiums for all customers eligible to receive premium credits through this program. The premium credit was based on the October premium for the medical, dental, and/or vision plan(s) and did not include any pass through charges.

There may have been some variance in the exact percentages, resulting from plan changes or enrollment changes. The credit was shown on customers' November billing statement (CCSB in December*). Customers who received the credit were not obligated to continue their coverage with Blue Shield, and no repayment was required of customers discontinuing coverage at any time.

The Premium Assistance Program and Premium Payment Plan Program have concluded. Enrollment in either of these programs does not impact this new Premium Credit Program.

*Blue Shield On-exchange small groups (CCSB) hade premium credits applied through this program for their December billing cycle. All other market segments included in the program had have credits applied for November billing cycle.

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Other

51. How is Blue Shield is working with providers to let members know their cost sharing is waived? Will members be reimbursed if they are incorrectly charged?
Blue Shield is taking steps to keep providers informed about cost sharing changes related to COVID-19. In addition, our Appeals and Grievance teams are included in the implementation of these new regulatory requirements and will be able to assist members in resolving any incorrect cost-sharing charges.

52. Does Blue Shield anticipate any pharmacy price impacts?
There are many factors that influence the price of drugs and our pharmacy benefits. Drug shortages due to disruption to the supply chain and increased utilization of prescription medications to treat COVID-19 symptoms could increase our costs. The pharmacy team works with the actuary team to model out potential impacts to pharmacy pricing.

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Online resources

Blue Shield resources

- Employer and Broker COVID-19 resource page
- Blue Shield News Center
- Member COVID-19 resource page
- Finding a Testing Location
- Member Testing FAQs
- Member Vaccine FAQs

Government resources

- CDC Coronavirus updates page
- State of California Testing Resources
- State of California Testing Task Force
- Finding a Testing Site
- DMHC COVID-19 Response
- CDC COVID-19 Testing Overview
- CDC COVID-19 Vaccination Resources
- California Department of Public Health COVID-19 Vaccine Resources
- My Turn
- CA.gov Industry Guidance to Reopen Your Business Safely
- CDC Resources for Businesses and Employers
- U.S. Chamber of Commerce - Financial Assistance for Small Businesses
- CA.gov Financial Assistance for Small Businesses and Employers

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