



# Take control

## **Aetna Funding Advantage<sup>SM</sup>** Administrative handbook

For self-insured groups with less than 100 eligible employees

**aetna<sup>®</sup>**

[aetna.com](https://www.aetna.com)

# Welcome

Thank you for choosing the Aetna Funding Advantage self-insured health plan. You made a great choice. Investing in the right benefits for your employees' health plans will pay off today — and tomorrow.

This handbook sums up what you need as we help administer your self-insured plan. That way, you can get back to running your business as soon as possible.

## Find what you need — fast

We'll show you how your self-funded plan works. You'll also learn about some requirements that go along with having a self-funded plan.

Don't worry if you notice terms or references that don't apply to your plan. Your contracts spell out the actual terms of how we'll help administer your self-funded plan. These include:

- Services Agreement made up of the Services, Statement of Available Services, Service & Fee Schedule and Appendices (Appendix I includes the Schedule of Benefits and Booklets)
- Stop Loss Contract (made up of the Stop Loss Policy and Application for Stop Loss)

Remember, we're here to make your job a little easier. If there's anything we can do to make your job easier, just let us know.

Here's to a  
great relationship



Aetna is the brand name used for products and services provided by one or more of the Aetna group of subsidiary companies, including Aetna Life Insurance Company and its affiliates (Aetna).

# Have no fear

## Online tools

The member website has tools, programs and perks included in your health plan. It's a great resource to:

- Look up coverage
- Find doctors in our network
- Estimate the cost of care

You and your employees can sign up for the member website at [aetna.com](https://www.aetna.com).

## Claims mailing address

Attn: Claims Reimbursement  
Aetna  
PO Box 14079  
Lexington, KY 40512-4079

## Member Services

You, your employees and their families can call Member Services with questions. Just use the number listed below and on your Aetna® ID card.

Member Services: **1-888-80-AETNA (1-888-802-3862)**

## Springboard Marketplace®

Our benefit enrollment and administration platform is available to most Aetna Funding Advantage customers. This platform is used to view monthly invoices and process demographic changes, terminations, life events, new hires and more.

Go to [springboardmarketplace.com](https://springboardmarketplace.com) to get started.

Support is available at **1-100SpringboardHelpdesk@aetna.com**, or **1-855-529-1535** and select option 2 from the menu.

If you don't use Springboard Marketplace, your client manager can provide an overview of how to complete ongoing benefits administration tasks outside of Springboard Marketplace.

## We're here for you

Have a question about your group plan? Just contact us. Make sure you have your group plan's control, suffix and account number handy.

If you have questions, call us and we can help you. Get the forms you need at [aetna.com](https://www.aetna.com).

States	Toll-free number	Hours of operation
<b>Northeast</b>		
CT, DE, MA, ME, NH, NJ, NY, PA, RI, VT, WV	<b>1-800-297-7145</b>	8 a.m. – 5 p.m. ET
<b>Southeast</b>		
AL, DC, FL, GA, LA, MD, MS, NC, SC, TN, VA	<b>1-855-319-7290</b>	8 a.m. – 5 p.m. ET
<b>Mid-America</b>		
AR, IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, OK, SD, WI	<b>1-877-232-1621</b>	8 a.m. – 5 p.m. CT
<b>West</b>		
AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, TX, UT, WA, WY	<b>1-800-343-6101</b>	8 a.m. – 5 p.m. PT

# Billing and monthly payments

Aetna Funding Advantage offers a stable monthly payment and the protection of stop loss insurance. Plus, you can save when your group's medical costs are lower than expected. And if your costs are higher than expected, Aetna's stop loss insurance protects you.

Every month, you pay a single amount covering all your costs for this arrangement. These include:

- Your annual medical costs\*
- Our administrative fees
- Our stop loss premium
- An amount to fund medical costs after our relationship ends if you don't renew with us

We explain these costs below.

You can save if your medical costs are lower than expected. Here's how:

- At the end of the contract year, we determine your total medical costs due.
- If total costs are less than your maximum funding, we return 50 percent of that surplus to you after you renew.

\*These are estimated costs, not actual.

Your monthly funding consists of four pieces:

## 1. Administrative fee

Our fee for processing claims and the other things we do to service your account.

## 2. Claims funding

The medical costs that you are responsible for in the current year.

## 3. Terminal reserve funding

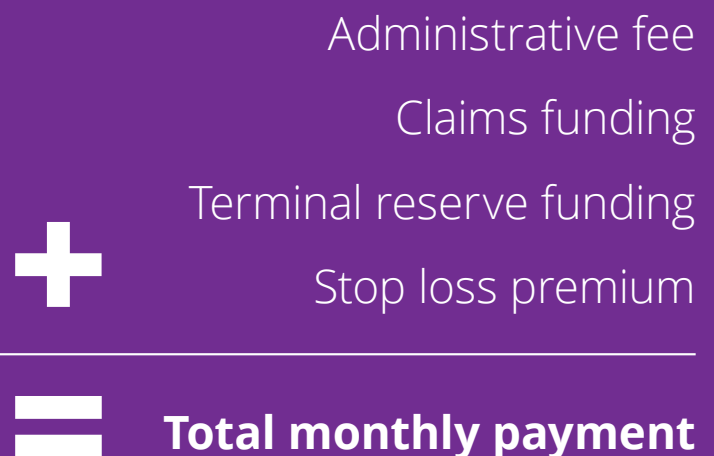
The amount set aside to pay run-out claims after our relationship ends.

## 4. Stop loss premium

What you pay us to protect you if your total claims are higher than expected or if covered individuals have very high medical costs.

## How we calculate your total monthly payment

- We figure out how much you need to pay per employee.
- The amount is higher if they enroll as a family versus as an individual.
- We multiply that amount by the number of employees who sign up for coverage.





# Bank account and invoices

## Monthly payments

### On the 25th of each month:

We send you an email alert to retrieve your invoice through Springboard Marketplace. If you don't use Springboard Marketplace, we'll email your invoice to you directly. The invoice is based on how many employees are enrolled for coverage on the 17th of that month.

### On the second business day of the following month:

We pull funds from your account to cover what you owe us for that month.

*Note: We can't accept paper checks for payment.*

### If members join or drop coverage after the 17th of the month:

The next month's statement will show changes as a retroactive adjustment to your bill.

## Example

January 2019						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2
3	4	5	6	7	8	9

Funds pulled from account to cover invoice

Cutoff for members included in monthly bill

Invoice emailed to you

## Your invoice

You can access your invoice right in Springboard Marketplace. We send you an email every month when your invoice is viewable. You can also reference previous invoices at any time.

Don't use Springboard Marketplace? We'll email you the invoice.

## We've got you covered

If we pay out more in claims than we've collected from you in any month, no worries. We'll temporarily fund the difference as long as you continue to make the payments as they become due.

At the end of the policy year, we'll also take care of you. If the total we've paid is more than total medical costs funding, your stop loss kicks in. This covers subsequent claims in accordance with the stop loss policy.

## Insufficient funds

If there aren't enough funds in your bank account to pay invoices in full by payment date:

- We have the right to immediately stop paying benefits claims
- We can terminate the Services Agreement

If we terminate the Services Agreement:

- You still owe all the money we invoiced you for before we terminated
- We have the right to collect that immediately

# Year-end accounting — surpluses and deficits



A surplus occurs if your actual medical costs total less than the expected medical costs throughout the agreement period. The final surplus is determined as part of year-end accounting. We perform this approximately 90 days after the agreement period ends.

If you renew your plan with us, we'll keep 50 percent of your surplus. This covers our fee for servicing your account. We return the other 50 percent to you after you renew.

Note that the year-end accounting will not occur until after the agreement period has finished.

The stop loss policy covers medical costs higher than the medical costs funding collected.

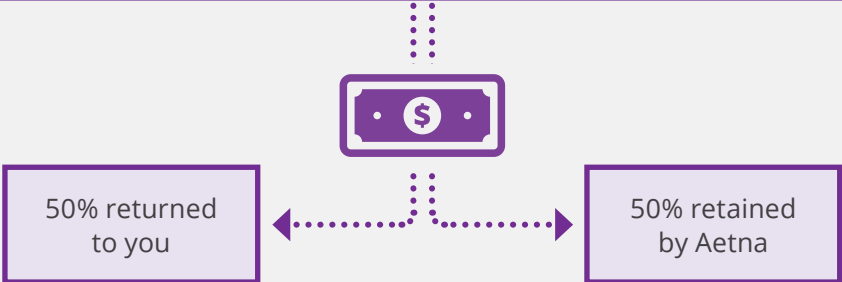
### How your stop loss insurance works

Stop loss insurance kicks in to help in two ways. It pays when your plan's medical costs are higher than your maximum expected claims amount. This protects you against the risk that your employees in total have higher claims expenses than expected. Plus, it will pay medical claims for a single member with very high contract year medical costs.

### Example: surplus (renewal)

#### YEAR-END ACCOUNTING

Total claims funding	\$300,000
Annual claims paid	(\$250,000)
Result	<b>\$50,000 surplus</b>



# Eligibility and enrollment

Your contract documents lay out guidelines for eligibility and enrollment. We describe those guidelines below, but review your contract documents if you have any questions.



## New hires and newly eligible employees

You can help new hires or newly eligible employees make informed decisions. It's easy — just give them our enrollment materials and benefits literature. This can also help prevent claims problems caused by delayed enrollment or missing information. Here is some information you can share:

- Privacy notice
- Summary of Benefits and Coverage



## Change in enrollment status

You can process enrollment changes right in Springboard Marketplace if an employee:

- Adds a dependent through marriage, birth, adoption or legal guardianship
- Drops a dependent through divorce, death or age cutoff
- Changes address, if out of area
- Changes employment status through retirement, layoff or other form of termination

The annual open enrollment period is the time of year when you and your employees can re-evaluate your health care needs, select the plan(s) that best meets those needs and make contract changes.

Coverage for new dependents usually becomes effective on the date of a life-changing event. Life-changing events include marriage, birth, adoption and legal guardianship.

If you don't have access to Springboard Marketplace, you can use our enrollment/change forms on [aetna.com](https://www.aetna.com).



## ID cards

We mail ID cards to participants shortly after they enroll with us. Your employees can also print their ID cards from their member website at [aetna.com](https://www.aetna.com).



## Prescription coverage

Many pharmacies don't accept insurance unless the member presents their member ID card. Members who haven't yet received their ID cards may still have their covered prescriptions filled at a participating pharmacy. They should call member services first to make sure the drug is covered and that they aren't any authorizations for the drugs needed before filling them. Once members receive their ID cards, they can then send us copies of their prescription receipt marked with their member ID numbers. We'll then reimburse them for the cost, according to their benefits plan. The pharmacy directory contains a list of local participating pharmacies. Or use our online provider directory at [aetna.com](https://www.aetna.com).

# Legal documents, contracts and responsibilities

When selecting Aetna Funding Advantage, you signed a number of documents. Here's a summary of those documents and their use:

## Agreement Services

Outlines services provided by Aetna as the administrative service provider for the Aetna Funding Advantage product. Comprised of the Services, Statement of Available Services, Service & Fee Schedule and Appendices (Appendix I includes the Schedule of Benefits and Booklets).

## Services Agreement

Outlines services provided by Aetna as the administrative service provider for the Aetna Funding Advantage product.

## Stop Loss Insurance Policy

The insurance policy that outlines your stop loss coverage.

## 1095-B Reporting

On your behalf, we file and distribute the 2018 IRS 1095-B, Transmittal of Health Coverage Information Returns. This is for all of your small group Aetna Funding Advantage members with coverage for the previous calendar year. This service is only available to Aetna Funding Advantage groups with no more than 50 eligible employees. Although we assist you in preparing this form, you're responsible for the form and its contents. In using this service, you agree that any IRS risk (penalty) or

issue will be the sole responsibility of the plan sponsor. Using this service is your choice. If you'd prefer not to use this service, then you can choose not to be included by contacting your Aetna client manager.

## Fiduciary duties

Aetna serves as the claims fiduciary. That means we have final say about whether the plan covers a claim. We also provide Summaries of Benefits and Coverage that can be shared with members.

You're legally responsible for everything else. Among other things, you need to file reports with the Department of Labor and the Internal Revenue Service (IRS). You also need to give members access to their Summary Plan Description, which describes the plan's benefits.

The federal Employee Retirement Income Security Act of 1974 (ERISA) law has additional legal requirements. For more information about ERISA, visit the U.S. Department of Labor website at

[dol.gov/general/topic/health-plans/erisa](https://www.dol.gov/general/topic/health-plans/erisa).

Many of the requirements aren't different from a traditional fully insured arrangement. However, you should be aware of additional reporting requirements for a self-funded benefits plan.

This material is for informational purposes only and is neither an offer of coverage nor medical advice. It contains only a partial, general description of programs and services and does not constitute a contract. Aetna is not a provider of health care services and, therefore, cannot guarantee any results or outcomes. All participating providers are independent contractors and are neither agents nor employees of Aetna.

Aetna Funding Advantage plans are self-funded, meaning the benefits coverage is offered by the employer. Aetna Life Insurance Company only provides administrative services and offers stop loss insurance coverage to the employer.



[aetna.com](https://www.aetna.com)