



## Large Group Underwriting Assumptions & Caveats

**Unless otherwise noted, the following guidelines will apply:**

- These rates are valid for total replacement coverage. Requests to offer AvMed alongside a competing carrier's offering require prior underwriting approval. Requests to add, delete, or change the number of AvMed product offerings may necessitate a rating adjustment.
- Eligible employers must have, and be willing to prove, the existence of an employer/employee relationship.
- AvMed reserves the right to adjust rates based on changes to the employer contribution methodology.
- Eligible employees are those employees that work a normal workweek of at least 25 hours, that live or work in AvMed's Service Area (some exceptions apply), and that have met any authorized waiting period requirements. Temporary, seasonal, substitute or leased employees are not eligible for coverage under this plan. Coverage must be extended to all employees meeting the underlying conditions. Management carve-outs are not permitted.
- At least 75% of all eligible employees must have coverage through AvMed or through qualifying existing coverage, and at least 50% of all eligible employees (including those with qualifying existing coverage) must enroll in AvMed product offering(s).
- The employee Waiting Period must be no longer than 90 days from date of hire.
- AvMed reserves the right to adjust rates if actual enrollment varies significantly from the enrollment utilized in the rate development.
- For prospective groups, AvMed reserves the right to re-rate if the actual pmpm premium yield at issue varies by more than 5% from the expected pmpm premium yield.
- For existing groups, AvMed reserves the right to adjust the premium quote (re-rate) in order to account for changes in the group size or in the information supplied by the Subscribing Group to AvMed.
- Proposal is subject to final underwriting. Additional documentation may be required to verify compliance with AvMed's underwriting requirements.
- Final rates and benefits are subject to underwriting approval and will be guaranteed for 12 months from the proposed effective date.
- Current group coverage should not be cancelled until written confirmation of acceptance of coverage by AvMed is received.