

Guidelines for Selecting Dual Plan Designs

Dual plan designs offer flexibility for today's employers. Employers simply combine currently marketed plans using these guidelines to create a plan to meet their business needs and budget.

Participation

Employers with six or more employees can choose dual plans, as illustrated in the chart below.

Group Size (no. of employees)	Minimum no. of employees required in each plan
6 to 25	3
26 to 50	5

Single-Location Businesses

- Provided the Plan Value Test Rule is met, any two plans may be offered with varying deductibles, coinsurances, coinsurance limits, copays, prescription drug cards, and preventive care benefits.
- Maternity coverage may not vary by plan. Both plans must either include or exclude maternity coverage.

Multiple-Location Businesses

Groups with multiple locations may design dual plans for each location using the guidelines for single-location businesses. The contract will be based on the group's domicile state and the current plan offering as of the group's effective date. Contact Starmark to discuss the rating procedure for multiple locations desiring different dual plans by location.

Class Distinction

Employers may make separate plans available to different employee classes (i.e., management and workforce). Dual plans are available for each class of employees following these guidelines.

All plan combinations are subject to underwriting approval.

Plan Value Test Rule

Step 1: Quote the entire group's census on each of the two plans.

Step 2: Divide the total monthly medical bill for the more expensive plan by the total monthly medical bill for the less expensive plan.

Step 3: If the result from Step 2 is 1.3 or less, the plan combination is allowable.

Starmark is a distinguished leader in small group healthcare benefits. By offering flexible health plans, unparalleled personal service, innovative, paperless employee enrollment, comprehensive health and wellness management tools, nationwide network access, and seamless HRA administration, Starmark is *the* choice to meet the diverse needs of small businesses today.



Plan availability and/or coverage may vary by state. Fully insured plans are administered by Starmark and insured by Trustmark Life Insurance Company. Self-funded plans are administered by Starmark, and stop-loss insurance is provided by Trustmark Life Insurance Company.

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