RSL SmartChoice™ Dental

A Group Dental Insurance Solution for Small Business

Plan Benefits and Features

	Plan A	Plan B	Plan C
Group Size	2* to 19 Employees	2* to 19 Employees	2* to 19 Employees
Type 1 / Preventive Coverage	100% - Deductible Waived	100% - Deductible Waived	100% - Deductible Waived
Type 2 / Basic Coverage	80% - Subject to Deductible	80%, 90% or 100% - Subject to Deductible. Basic Services Step-Up Preventive Care Incentive	60% - Subject to Deductible
Type 3 / Major Coverage	50% - Subject to deductible with a 12-month elimination period	50% - Subject to deductible with a 12-month elimination period	25% - Subject to deductible with a 12-month elimination period
Orthodontic Coverage (Adults and Children)	Not Available	For groups of 2-9: 50% ▸ Subject to a 24-month elimination period with a $1,000 life time Orthodontic Benefit. ▸ For groups of 10+: 50% Subject to a 12 month elimination period with a $1,000 life time Orthodontic Benefit. Note: Elimination period will be waived on 10+ take-over plans.	Not Available
Annual Maximum Benefit	$1,000	$1,500 with option to increase to $2,000	$1,000
Max Rewards – Increased Dental Maximum Benefit	Included	Included	Included
Annual Deductible	$50 (3 per Family Max)	$50 (3 per Family Max)	$75 (No per Family Max)
Endodontic Coverage	Major Services with option to move to Basic Services	Major Services with option to move to Basic Services	Major Services
Periodontal Coverage	Major Services with option to move to Basic Services	Major Services with option to move to Basic Services	Major Services
Takeover Benefit Options	Available	Available	Available
Managed Dental Care Option (MAC)	Available (Subject to the availability of the Participating Provider Organization in a particular state)	Available (Subject to the availability of the Participating Provider Organization in a particular state)	Available (Subject to the availability of the Participating Provider Organization in a particular state)
Non-MAC Out of Network Allowance	80th Percentile U&C with option to move to the 90TH Percentile	80th Percentile U&C with option to move to the 90TH Percentile	80th Percentile U&C
Reduced Participation Option	Not Available	Not Available	Available
Eye Care Option	Available	Available	Available
Contributions	Employers can pay all, part or none of the premium	Employers can pay all, part or none of the premium	Employers can pay all, part or none of the premium
Carve Outs	Permitted for 2 or more eligible employees within a class*	Permitted for 2 or more eligible employees within a class*	Permitted for 2 or more eligible employees within a class*
Rate Guarantee	Initial rate guaranteed for 12 months with option to increase to 24 months.	Initial rate guaranteed for 12 months with option to increase to 24 months.	Initial rate guaranteed for 12 months with option to increase to 24 months.

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* Two person groups or carve outs can only be written if sold with two other SmartChoice lines of coverage.

Additional Plan Information

Eligibility

Employer Eligibility: Most employers are eligible to participate. A list of ineligible businesses is shown on page 4. Firms in business less than one year, firms not participating in Social Security, and firms with employees residing on employer's premises are also ineligible.

Employee Eligibility: Eligible employees are those actively working full time for a minimum of 30 hours per week year round (non-seasonal) who have satisfied the employer's minimum service requirement. Eligibility may be modified to include part time employees working a minimum of 20 hours per week, provided less than 25% of the eligible employees are working less than 30 hours per week.

Dependent Eligibility: Eligible dependents include an insured employee's spouse and unmarried children prior to their 19th birthday who do not work for the firm. In addition, unmarried children from their 19th birthday to the day before their 24th birthday are eligible if they are full time students attending an accredited educational institution and primarily dependent upon the employee for support and maintenance.

NOTE: Dependent ages may vary by state.

Participation Requirements

The following minimum participation requirements must be met:

- 2 eligible employees – both must be insured
- 3 to 5 eligible employees – all but one must be insured
- 6 to 9 eligible employees – all but two must be insured
- 10 to 19 eligible employees – 75% must be insured

For Plan C Only—Reduced Participation Option—requires 50% participation with a minimum of 5 lives insured.

Those employees and dependents that are covered for group dental coverage elsewhere may be counted toward satisfying the participation requirements if signed waiver form is submitted.

If a husband and wife are both employed by the same employer unit and the couple also has dependent children to be insured, either the husband or wife may elect to be insured as a dependent rather than as an employee, unless employer pays 100% of premium.

Firms that fall below two insured employees will have 90 days to bring the number of insureds up to the required minimum. If less than the required number of employees are insured after 90 days, the firm's coverage will be terminated.

Contribution Levels

Provided all participation requirements are met, employee may contribute up to 100% of premium. If employer pays 100% of the premium, all eligible employees must be insured.

Group Policy Effective Date

SmartChoice Dental effective date is the first of the month following receipt of all application submission materials and is subject to Reliance Standard underwriting approval. Reliance Standard approval should be secured before terminating existing coverage.

Procedure Summary

Preventive procedures include periodic oral exams and cleanings, space maintainers, bitewing x-rays, fluoride application (under age 19) and sealants (under age 14).

Basic procedures include simple extractions, crown recementation, filings and denture repairs.

Major procedures are subject to a one-year elimination period and include periodontics (gum disease), endodontics (root canals), gingival reconstructions, oral surgery, crowns, dentures, bridges and repair of crowns and bridges.

For Plans A & B, periodontics and/or endodontics may be upgraded from Major to Basic Services.

Preventive Incentive

Plan B provides insureds with an incentive to receive preventive care. Preventive care, including regular checkups, decreases the chance that insureds will need major dental work in the future. Decreasing the frequency of major procedures saves you and your insureds money.

With Plan B, insureds enroll at 80% coinsurance for Basic procedures. By visiting the dentist and having any covered procedure done during their first benefit year of coverage, insureds qualify for 90% coinsurance the next benefit year. Continuing to visit the dentist annually and receiving any covered procedure qualifies them for 100% coinsurance in subsequent years. Insureds who do not receive a covered procedure in a benefit year, or have a break in coverage of one month or longer, revert to 80%. By again meeting the requirement, insureds can work their way back up to 100%. Coinsurance percentages are based on the Usual and Customary (U&C) charges for the geographic area where the service is performed.

Managed Care Option

Employers can save money over standard rates for Plans A, B and C with the Maximum Allowable Charge (MAC) option. With MAC, benefits are paid according to the MAC allowance for each procedure, which is the discounted fee per procedure offered through Participating Provider Organization (PPO) General Providers known as in-panel providers. Non-PPO (out-of-panel) dentists—who may charge more—also are limited to the MAC for their respective areas. MACs are determined by the area in which the dental services are performed. An annual review of MAC allowances, adjusting limits as necessary, allows the benefits to "float" upward as dentists raise their fees. Without this feature, insureds' out-of-pocket expenses would continually increase.

MAC can save insureds money by lowering their out-of-pocket expenses if they visit a PPO General Provider dentist. The MAC fee is the maximum amount that a PPO General Provider dentist will charge and the maximum amount that Reliance Standard will reimburse. Expenses generally will be less if an insured chooses a PPO General Provider for his/her dental needs. If an insured chooses a PPO Specialist, he/she will still receive the maximum benefits allowed under the dental plan, but may experience higher out-of-pocket expenses.

Remember, no matter what dentist insured employees and their covered dependents choose, they receive coverage under this plan. However, there are distinct financial advantages to selecting a PPO General Provider dentist. The sample comparison chart below will give you an idea of how insureds can save money by using MAC. It compares the cost of visiting a PPO General Provider versus a non-PPO dentist. Figures are based on a Santa Ana, California ZIP Code and may not reflect fees charged in other areas.

Example

Major Procedure:
Crown (porcelain with semiprecious metal)

PPO vs. Non-PPO: $50 deductible – 50% coinsurance

Note how the same MAC allowance applies to non-PPO

PPO	MAC	Non-PPO	80th UCR
PPO dentist charge	$550	Dentist charge	$790
MAC allowance	$550	MAC allowance	$550
Annual deductible	$50	Annual deductible	$50
MAC less deductible	$500	MAC less deductible	$500
Coinsurance	50%	Coinsurance	50%
Insurance pays	$250	Insurance pays	$250
Insured pays	$300	Insured pays	$540

Savings to insured visiting a PPO General Provider: $240

NOTE: 80th U&C indicates that 8 out of 10 dentists in a specific area charge at or below the plan allowance for a procedure.

Increased Dental Maximum Benefit

	Plans A & C	Plan B
Carry Over Amount Per Insured Person – Each Benefit Period	$250	$250
PPO Bonus – Each Benefit Period	$100	$100
Benefit Threshold Per Insured Person – Each Benefit Period	$500	$750
Maximum Carry Over Amount	$1,000	$1,000

After the first Benefit Period following the coverage effective date, the Maximum Amount for Dental Expenses Per Insured Person as shown in the Schedule of Benefits may be increased by the Carry Over Amount if:

a) The insured Person has submitted a claim for dental expenses incurred during the preceding Benefit period; and

b) The benefits paid for dental expenses incurred in the preceding Benefit Period did not exceed the Benefit Threshold.

After the first Benefit Period following the coverage effective date, the Carry Over Amount will be increased by the PPO Bonus if:

a) The insured person has submitted a claim for dental expenses incurred during the proceeding benefit period, and

b) At least one of the claims submitted by the insured person for dental expenses incurred during the preceding benefit period were expenses resulting from services rendered by a Participating Provider, and

c) The benefits paid for dental expenses incurred in the preceding Benefit Period did not exceed the Benefit Threshold.

In each succeeding Benefit Period in which the total dental expense benefits paid do not exceed the Benefit Threshold, the Insured Person will be eligible for the Carry Over Amount and the PPO Bonus.

The Carry Over Amount and PPO Bonus can be accumulated from one Benefit Period to the next up to the Maximum Carry Over amount unless:

a) During any Benefit Period, dental expense benefits are paid in excess of the Threshold. In this instance, there will be no additional Carry Over Amount or PPO Bonus for that Benefit Period; or

b) During any Benefit Period, no claims for dental expenses incurred during the preceding Benefit Period are submitted. In this instance, there will be no Carry Over Amount or PPO Bonus for that Benefit Period, and any accumulated Carry Over Amount, including any PPO Bonuses from previous Benefit Periods will be forfeited.

Eligibility for the Carry Over Amount and the PPO Bonus will be established or reestablished at the time the first claim in a Benefit Period is received for dental expense incurred during that Benefit Period.

Eye Care Option

Eye Care is an easy-to-administer maximum covered expense plan with no panel doctors. Choose any eye care provider! Insureds simply pay the eye doctor for all services, then submit a claim to Reliance Standard for reimbursement. Benefits are reimbursed according to the schedule shown below.

Eye Exam	$35	Trifocal Lenses	$65
Frame	$40	Progressive Lenses	$70
Single Vision Lenses	$35	Lenticular Lenses	$70
Bifocal Lenses	$50	Contact Lenses	$75
		(frame + single vision lenses)	

Frame/Lenses (glasses) and contacts are not both covered in the same 12-month period.

Takeover Option (Benefits and Conditions)

Takeover means that you and your insureds are given "credit" for calendar year deductibles accumulated under your existing plan. In addition, Reliance Standard waives the 12-month limitation for Major procedures for all current insureds. Limited prior extraction coverage is provided. No other SmartChoice provisions will be affected.

There is a 24-month elimination period on Plan B Orthodontic coverage for groups of 2-9 lives that cannot be waived. For groups of 10+ lives, there is a 12-month elimination period for Orthodontic coverage for all current insureds that can be waived on a takeover case.

To receive takeover benefits, your current Group Dental Plan must meet the following conditions:

1. Your current dental plan must have been in effect continuously for at least 12 months prior to the effective date
2. The effective date of our plan must immediately follow the termination date with your prior group carrier without any gaps or breaks in coverage
3. All Insureds on the effective date are eligible for takeover provisions. New hires to your group after the policy effective date must fulfill the usual limitations and deductibles
4. You must submit all of the following as evidence of your prior coverage:
   a. copy of your previous insurance carrier's most recent invoice
   b. certificate or letter of acceptance from your previous insurance carrier that shows the effective date of your policy
   c. date of termination of your dental plan with the prior carrier

Providing this proof rests on the firm or group requesting the takeover. Reliance Standard reserves the right to refuse takeover benefits regardless of submission. No insurance is in force until written acceptance is received from Reliance Standard.

NOTE: Takeover groups are subject to an additional 10% load to the rates.

Ineligible Businesses

The following types of businesses are not eligible for the SmartChoice Dental Plan:

1. Dentists' offices or clinics (SIC codes 8020-8028, 8072)
2. Association Groups, Membership Organizations, and Fraternal Organizations (SIC codes 8611-8699)
3. Trusts (SIC codes 6732-6733, 6091)
4. Unions (Taft Harley Trusts) where benefits and rates are subject to labor management negotiations
5. Voluntary arrangements (e.g., Cafeteria Plans, Section 125 Plans)

High-Risk Businesses

The following types of businesses are eligible for the SmartChoice Dental Plan but are subject to an additional 20% adjustment to the rates:

- Jewelry Business (wholesale/retail)
- Automotive Dealers
- Direct Selling Establishments
- Security & Commodity Brokers/Dealers
- Real Estate Agents/Developers
- Beauty Shops
- Funeral Services
- Educational Services
- Any business firm that indicates a portion of its employees are not to be considered eligible for coverage. The eligible employees are classified as a "carve out" group.

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