KAISER PERMANENTE®

Kaiser Permanente HMO for PACE
Purchaser ID:

	PACE HMO 15	PACE HMO 10	PACE HMO 25
Annual Deductible: Self Only / Indv / Family	None / None / None	None / None / None	None / None / None
Maximum Out-Of-Pocket: Self Only / Indv / Family	$1,500 / $1,500 / $3,000	$1,500 / $1,500 / $3,000	$1,500 / $1,500 / $3,000
Maximum Lifetime Benefit	None / None	None / None	None / None

Hospital Inpatient (all services rendered while hospitalized)	**No charge**	**No charge**	**$250 per admit**
Outpatient (specialty, routine, eye/hearing exams, and urgent care)	**$15 per visit / $15 spec**	**$10 per visit / $10 spec**	**$25 per visit / $25 spec**
Well-child preventive care visits (23 months or younger)	No charge	No charge	No charge
Scheduled prenatal care and first postpartum visit	No charge	No charge	No charge
Outpatient surgery	$15 per procedure	$10 per procedure	$25 per procedure
Allergy Injections / Immunizations	No charge	No charge	No charge
X-rays and Lab tests	No charge	No charge	No charge
Ambulance services	No charge	No charge	No charge
Emergency department visits	$100 per visit	$100 per visit	$100 per visit
Outpatient Prescription Drugs (pharmacy and mail order)	**$10 gen / $20 brand / 20% spec, $20 gen / $40 brand MOI**	**$10 gen / $20 brand / 20% spec, $20 gen / $40 brand MOI**	**$10 gen / $20 brand / 20% spec, $20 gen / $40 brand MOI**
Days supply	30 days, 30 days spec, 100 days MOI	30 days, 30 days spec, 100 days	30 days, 30 days spec, 100 days
Mental Health Services			
Inpatient psychiatric care / days per calendar year	No charge	No charge	$250 per admit
Outpatient individual therapy visits	$15 per visit	$10 per visit	$25 per visit
Outpatient group therapy visits	$7 per visit	$5 per visit	$12 per visit
Chemical Dependency Services			
Inpatient detoxification	No charge	No charge	$250 per admit
Outpatient individual therapy visits	$15 per visit	$10 per visit	$25 per visit
Outpatient group therapy visits	$5 per visit	$5 per visit	$5 per visit
Transitional Residential Recovery Services	No charge	No charge	No charge
Infertility Services			
Covered services related to the diagnosis and treatment of infertility	50% per visit	50% per visit	50% per visit
Additional Benefits			
Supplemental Durable Medical Equipment	No charge	No charge	No charge
Skilled Nursing	No charge	No charge	No charge
Optical eyewear (frames, lenses, contact lenses)	Not covered	Not covered	Not covered
Hearing aids	Not covered	Not covered	Not covered
Chiropractic	Not covered	Not covered	Not covered
Dental	Not covered	Not covered	Not covered

The information presented in this chart is a summary only. For a complete understanding of benefits, please read this chart in conjunction with the Evidence of Coverage (EOC). The EOC contains a detailed explanation of benefits, exclusions, and limitations. We reserve the right to modify the rates and benefits if we receive further clarification of Federal Health Reform requirements, or to incorporate other applicable Federal Health Reform requirements. In addition, Kaiser Permanente reserves the right to make any change in these rates and benefits due to changes in State or Federal legislation or regulatory action.

The proposed rates and benefits included on the Rate and Benefit Summary page are based on the **participation and contribution requirements** described below. If any of the following are not met, Kaiser Permanente (KP) reserves the right to withdraw our rate proposal, decline coverage, re-rate this proposal or terminate your Group Agreement.

1. **Group-Specific Participation Requirements:**
   None
2. **Rating Assumptions:**
   Rates assume a 12-month policy period of 01/01/2022 through 12/31/2022 unless otherwise specified above. The rates and benefits in this proposal include the Federal Health Care Reform requirements. KP reserves the right to modify the rates and benefits if we receive further clarification of Federal Health Care Reform requirements, or to incorporate other applicable Federal Health Care Reform requirements. In addition, Kaiser Permanente reserves the right to make any changes in these rates and benefits due to changes in State or Federal legislation or regulatory action. KP reserves the right to rerate if actual enrollment results in a +/- 10% change in the rates from what was assumed at the time of this quote. Examples of changes that may impact rates include, but are not limited to, the following:
   a. A change in the demographic factor.
   b. A change in the average family size or subscriber distribution.
   c. A change in the number of subscribers enrolled in KP.
   d. A change in the number of plans offered alongside KP.
   e. A change in the benefit design of a plan offered alongside KP.
   f. A change in the employer contribution formula.
   g. Groups must abide by the Break-in and Break-away Policy.

   KP reserves the right to change the rates in the event the employer funds, or offers to fund, all or part of an individual or family deductible, copayment or coinsurance which is applicable under the KP plan unless specifically noted in the Group-Specific Requirements above.

3. **Participation and contribution requirements:**
   a. Proposed rates and benefits assume 75% of overall eligible group employees enroll in a company-sponsored plan excluding those waiving for alternative group coverage.
   b. Proposal assumes employer pays at least 50% of the employee only cost and is non-discriminatory.
   c. With respect to any coverage identified as a "grandfathered health plan" under the Patient Protection and Affordable Care Act ("ACA"), Group must immediately inform Health Plan if this coverage no longer meets the requirements for grandfathered status including but not limited to any change in its contribution rate to the cost of any grandfathered health plan(s) during the plan year. Group's contribution rate for grandfathered health plan coverage may not decrease more than five percent (5%) for any rate tier for such grandfathered plan(s) when compared to Group's contribution rate in effect on March 23, 2010 for the same plan.

4. **Quote assumes KP is offered alongside another health care plan**:
   KP must be offered on conditions that are no less favorable than those for other health care plans. Examples include, but are not limited to, the following:
   a. KP is offered to all eligible employees.
   b. KP has access to the employer and to the employees on the same basis as all other health care plans offered.
   c. The employer's contribution formula does not put KP in a disadvantaged position. This quote assumes that all benefit plans offered to group subscribers provide similar benefits and levels of coverage. If not, the employer's contribution strategy must account for benefit differences among plans offered to subscribers. For example, if KP provides coverage in excel of the minimum essential level of coverage required by law, and another plan does not, the employer will ensure that the member contribution for KP's plan does not exceed the dollar amount for the other plan.
   d. Basic and optional benefits such as DME, prescription drugs (including specialty drugs), and infertility are comparable among all health care plans offered, however, KP will allow preventive services as defined by Health and Human Services (HHS) to vary if specifically approved by underwriting.
   e. KP is not offered alongside plans with pre-existing condition provisions, health condition exceptions or lifetime coverage limits.
   f. If early retirees are covered, the employer offers all health care plans to early retirees on the same basis.
   g. Eligibility rules such as dependent age limits and waiting periods for new hires are the same for all health care plans.
   h. No other plan is allowed preferential treatment that adversely affects KP.
   i. KP prefers that the number of employee subscribers enrolled in KP be the greater of 5 or 5% of the total number of employees enrolled in all health plans in regions where KP is offered.
   j. Kaiser Permanente must NOT be offered along side an age-rated health care plan.
   k. Rate tier ratios and their definitions should be the same among all health plans offered by the group (employer).

5. **Product-specific participation requirements:**
   Additional Kaiser Permanente Medicare Senior Advantage (KPSA), Medicare Plus or Medicare Cost Requirements
   a. Please refer to the group's contract for full definitions of Primary Medicare and Secondary Medicare.

b. Members must have Medicare Parts A and B to enroll in Medicare Senior Advantage (KPSA), Medicare Plus or Medicare Cost and be eligible for Medicare rates. In some regions members with only Part B may also enroll but their rates will be subject to a surcharge.
c. Medicare eligible members must reside in the approved Medicare Senior Advantage (KPSA), Medicare Plus or Medicare Cost service areas to receive benefits for the group Medicare Senior Advantage (KPSA), Medicare Plus or Medicare Cost offering.
d. Enrollment in Medicare Senior Advantage (KPSA), Medicare Plus and Medicare Cost is contingent upon receipt of an accurately completed enrollment form.
e. Preliminary Medicare Senior Advantage (KPSA), Medicare Plus or Medicare Cost rates and benefits are subject to change.
f. Medicare Senior Advantage (KPSA), Medicare Plus or Medicare Cost products may not be available for sale in all KP regions.

Additional Out-of-Area Product Requirements:

a. All employees offered KP Out-of-Area products must reside and work outside the KP service area.

6. Proposal requires eligibility for KP plan based on the following:

a. Employer – the employer cannot be considered a small group according to state law.
b. Actives:
  - The group (employer) must be related to those offered a KP plan by virtue of employment. This includes when the group contract is with a Taft-Hartley Trust, Professional Employer Organization (PEO), association or Joint Power Authority (JPA).
  - An eligible employee is defined as an active, permanent employee who is on the employer's payroll, and works the minimum number of hours mandated by federal and/or state law to be considered an "eligible employee." Any agreement to change the minimum hours required must be in writing. Temporary and independent contractors (i.e., 1099 employees) are not eligible unless noted otherwise in this Rate Assumptions and Requirements document.
  - The employee must live or work in the service area specific to the product they enroll in.
  - 100% of eligible employees must be covered by Workers' Compensation, where mandated by law.

c. New enrollees:

    The probationary period for new employees is non-discriminatory and reflects no more than a 90-day waiting period unless noted otherwise in this Rate Assumptions and Requirements document.

d. COBRA:
  - It is the responsibility of the employer group to enroll eligible members into the KP COBRA plan in compliance with federal law.
  - It is the employer's responsibility to comply with appropriate COBRA statutes.
  - KP will generally include COBRA members as part of the group bill. If individual billing has been arranged, KP will assume responsibility for collecting premiums from COBRA members, only acting as a collection agent on behalf of the group, not as a fiduciary for the group. In addition, KP retains the authority to terminate a direct-billed member for non-payment.

e. Retirees
  - Eligible early retirees must enroll in a health plan at the time of retirement and may later elect to enroll in a KP plan at open enrollment as long as they have maintained continuous enrollment in a health plan since the time of retirement.
  - Early retirees under the age of 65 must be reported to KP and set up as a separate employee class or subgroup.
  - Medicare eligible retirees cannot enroll in the active plan.
  - Applicants for a Medicare Senior Advantage (KPSA), Medicare Plus or Medicare Cost plan must meet all the Medicare eligibility requirements, including those stated in this Rate Assumptions and Requirements document.

f. Dependents:

    If an "in-area" employee has dependents that live outside the service area, the employee and dependents must be enrolled in the same product.

7. Compliance:

KP reserves the right to make any change in the employer group's benefits and/or rates due to changes in State or Federal legislation or regulatory action.

8. Broker Disclosure:

The Consolidated Appropriations Act, 2021 (AKA "No Surprises Act") promotes transparency of health care costs and consumer protection. One specific requirement of the Act requires brokers and consultants to disclose the direct or indirect compensation they expect to receive for their brokerage or consulting services to their group health plan clients. This disclosure must occur prior to the group health plan client entering into a contract with Kaiser Permanente.

Kaiser Permanente is committed to assisting its brokers and consultants with fulfilling obligation to Kaiser Permanente group health plan clients. Please visit account.kp.org to learn more.

The contracting employer must also meet all other group-specific responsibilities and requirements described in your Group Agreement.

9. Failure to Pay:

If employer groups fails to pay in a timely manner, and if after the statutorily-required grace period terminates, employer group has not paid undisputed amounts in full, then KP may charge interest on the overdue amount. Interest shall not accrue during the grace period, and the (simple) interest rate shall be six (6) percent per year or the maximum permitted by law, whichever is less.