

Group Name: _____

NOTICE REQUIRED BY INSURANCE REGULATION 11. Section 3(d)

Blue Cross & Blue Shield of Rhode Island has become aware that your company has fifty (50) or fewer eligible employees. "Eligible employee" means an employee who works on a full-time basis with a normal work week of thirty (30) or more hours, except that at your sole discretion, the term can also include an employee who works on a full-time basis with a normal work week of anywhere between at least seventeen and one-half (17.5) and thirty (30) hours, so long as this eligibility criterion is applied uniformly among all of your employees and without regard to any health status-related factor. The term "eligible employee" also includes a self-employed individual, a sole proprietor; a partner of a partnership, and may include an independent contractor, if the self-employed individual, sole proprietor, partner, or independent contractor is included as an employee under your health benefit plan, but does not include an employee who works on a temporary or substitute basis or who works less than seventeen and one-half (17.5) hours per week.

You have certified that you employ fewer than fifty-one (51) eligible employees, and we have determined that you now qualify as a small employer under the Small Employer Health Insurance Availability Act (the "Act"). This Act provides certain rights, options, and protections not available to large employers, including:

- The option to purchase any health benefit plan actively marketed in the small employer market from any small employer carrier;
- Adjusted community rating;
- A cap on the minimum participation levels;
- Marketing and disclosure requirements;
- The statutory standardized health benefit plans (the basic, standard, and economy health benefit plans); and
- Your current health benefit plan may not be available in the small employer market.

You have the option of continuing to remain treated as a large employer, however, you also have the option of being treated as a small employer. Please check below which classification you would prefer for your group. Sign, date, and return to your marketing representative at: Blue Cross Blue Shield of RI, Small Group Underwriting, 500 Exchange Street, Providence, RI 02903. If you have any questions regarding small group benefits, please feel free to contact your account representative for more information.

I request that my group be classified as a: Small Employer _____ or Large Employer _____

Signature of group administrator

Date