



# NORTH RANCH BENEFITS TRUST

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## Employer Guide VSP EMPLOYER-SPONSORED PLANS

Contact the North Ranch Benefits Trust administrator



for any administrative assistance including: billing, eligibility, renewal, plan changes, etc.

HealthSmart Benefit Solutions, Inc.  
10303 E Dry Creek Road, Suite 200  
Englewood, CO 80112

Phone: (800) 786-6525

Fax: (303) 804-9490

Email: [pbdenver@healthsmart.com](mailto:pbdenver@healthsmart.com)

**Lockbox for payments only:**

HealthSmart Benefit Solutions, Inc.  
Lockbox 6054  
P O Box 17768  
Denver, CO 80217-0768

Auto Draft (ACH) available upon request.

## **Participation and Maintenance Requirements**

You have indicated on the employer application that participation would be for:

- Option 1 – Only those employees and dependents covered by your in-force group medical policy **or**
- Option 2 – Only those employees and dependents covered by your in-force group dental policy **or**
- Option 3 – 100% of all eligible employees and dependents **or**
- Option 4 – 100% of all eligible employees and no dependents

Whichever participation requirement you chose, you are required to comply with it throughout the life of the plan.

A minimum employee participation of three employees is required. Should the number of participants in the plan decrease to fewer than the minimum required, the employer will be permitted to continue participating in the plan for a maximum of three additional calendar months following the date in which enrollment dropped below the minimum. In the event the employer wishes to extend coverage beyond the 3-month period by adding to the plan employees who become eligible during the 3-month period, the employer may be required to submit payroll records and other documentation to HealthSmart Benefit Solutions, Inc.

## **Plan Eligibility**

An eligible employee is an active, full-time employee who meets the above participation requirements, is working at least 30 hours per week, and is paid a salary, wages, or earnings from which federal and state tax and Social Security deductions are made. Partners and proprietors actively engaged in the business on a full-time basis and who meet the above participation requirements also are eligible. If the employer wishes to cover part-time employees who work at least 20 hours per week, he or she may do so, but only as long as the group meets the participation and maintenance requirements outlined in this guide.

An eligible dependent is the employee's lawful spouse or domestic partner and any child of the enrolled applicant or spouse/domestic partner who is under age 26. It is the employee's responsibility to inform the group administrator of any change in status of his/her dependents. Eligible dependents also must meet the participation requirements as outlined in this guide.

## **Employee Effective Dates**

Employees who are enrolling under Option 1 or Option 2 will have the same effective date as that of their medical or dental plan, based on the first of the month following the waiting period selected by their employer. For employees enrolling under Option 3 or Option 4, the effective date will be the first of the month following the waiting period selected by the employer.

## **Adding Employees**

Newly eligible employees electing coverage should complete an application for the employer's submission to HealthSmart prior to the effective date of coverage. If an application is not received prior to the effective date, the employee will be added to the plan and be effective the first of the month following receipt of the employee's application by HealthSmart. In the event the employer selects Participation Option 1 or Option 2, a copy of the new employee's medical or dental application or other proof that the employee is covered under the group medical or dental plan must accompany the employee application. When adding a newly eligible employee, the employer should not make any adjustments to the monthly invoice.

Employees should receive a copy of the VSP plan brochures from the employer upon enrollment. For additional employee supplies, please contact HealthSmart at (800) 786-6525.

## **Adding/Terminating Dependents**

Employers who have selected Participation Option 1 or Option 2 must add dependents to the plan concurrent with enrollment in the group medical plan or dental plan, depending on which plan you originally elected to match. Employers who have selected Participation Option 3 or Option 4 must add newly eligible dependents of employees covered under the plan within 30 days of the qualifying event. To delete a dependent, employees must complete a Termination Request Form and submit it to HealthSmart. Completed requests may be faxed to (303) 804-9490 or [pbdenver@healthsmart.com](mailto:pbdenver@healthsmart.com)

## **Reporting Terminated Employees**

Employees who terminate employment are contractually entitled to coverage through the last day of the month in which they last worked on a full-time basis. For example, an employee who terminates employment on June 5th is entitled to coverage through June 30th. Premiums are to be paid for the last month of coverage for any such employee. The employer may use the Termination Form (attached at end of document) or can take the following steps to report terminations and delete employees from the policy:

1. Draw a line through the name of the terminated employee on the invoice for the month following the employee's last day of work.
2. Note the date the employee last worked beside his or her name on the invoice. HealthSmart will not be able to process the request without an exact termination date.
3. Adjustments will be made on the next month's invoice.

Employers must report terminations no later than one month following the date of the termination. HealthSmart will not allow a premium credit for more than one month's premium. Terminations will appear on the following month's invoice.

**Terminating an active employee** is permitted only if the employer continues to maintain the minimum participation and maintenance requirements outlined in the section entitled "Participation and Maintenance Requirements."

## **COBRA and State Continuation of Benefits Participation**

The Consolidated Omnibus Budget Reconciliation Act (COBRA) requires employers with 20 or more employees to offer certain employees and dependents Federal continuation of benefits beyond normal coverage termination dates. Employers with 2 to 19 employees may be similarly required to offer employees coverage under their State's law for continuation of benefits coverage.

Generally, covered employees and their covered dependents may become eligible for continuation coverage under COBRA or State guidelines due to such qualifying events as a reduction of work hours, termination of employment, divorce, legal separation, death, loss of dependent status or Medicare eligibility. There are certain actions employers must take in order to comply with continuation of benefits coverage, as applicable.

## **Continuation Coverage**

The VSP plan certificate states that covered employees, though not working full-time, may under certain circumstances continue to be covered by the plan, provided that premiums are paid in full by the employee. It is the employer's responsibility to notify HealthSmart in writing of any employee who wishes to elect continuation of coverage (disability, leave of absence, exhaustion of continuation of benefits coverage) and the duration of time in which benefits are to be continued. This notification must be received by HealthSmart prior to the beginning of the continuation period. Please use the Termination Request Form at the end of this document for the notification.

## **Change of Name or Address**

Employers, who have a company name change, relocate or have a change of billing or physical address, must notify HealthSmart either by noting the change on the invoice or by forwarding the change in letter form.

## **Premiums**

**Premium checks should be made payable to HealthSmart Benefit Solutions, Inc. or "HealthSmart"**

Be sure to write your employer number on your check, and enclose the remittance copy of your invoice along with your check in the return envelope provided.

## **Premium Due Dates**

Premium invoices are sent out on or about the 25<sup>th</sup> of the month prior to the billed month. Premiums are due by the 15<sup>th</sup> of the billed month. Employees are not eligible for benefits until the premium due is received and processed by HealthSmart. If the bill is received late, or is not received at all, the employer should contact HealthSmart for a copy of the bill and submit payment.

## **Fees**

The employer is responsible for the payment of any fees that appear on the monthly invoice:

- **The \$15.00 Administration Fee** (if applicable) appears each month on your invoice and covers, among other items, the cost of billings, collections, insurance record maintenance, and printing of forms.
- **The \$5.00 Delinquency Fee** is a charge for late payment of premium.
- **A \$25.00 Non-Negotiable Check Fee** is a charge for the 1st returned check, and a \$50.00 Non-Negotiable Check Fee is charged for all returned checks thereafter.

## **Late Payments and Cancellation**

Your account will be considered delinquent if HealthSmart does not receive premiums before the Delinquent date provided on your invoice. If they payment is not received by the 1<sup>st</sup> business day of the month following the billed for month, a \$5.00 delinquency fee will be charged for late remittance of premium.

If premiums have not been received by HealthSmart by the 15<sup>th</sup> of the month following the billed for month, coverage for all employees and dependents will be cancelled. For example, if a February 1<sup>st</sup> premium payment is due on February 15th, coverage will automatically be cancelled if the delinquent premium is not received by March 15th. In the above example, the effective date of cancellation would be January 31st.

## **Not-Negotiable Checks**

Checks returned by the bank for insufficient funds, stop payment, missing signature, or any other reason for which the bank would deem a check non-negotiable would be treated as though no premium payment was received. A \$25.00 handling fee will be charged for the 1st non-negotiable check. A \$50.00 handling fee will be charged for the 2nd and any other thereafter non-negotiable checks. A money order or cashiers check is required for all future payments after the 2nd non-negotiable check.

[www.VSP.com](http://www.VSP.com)

Employees should contact **Vision Service Plan** directly for assistance with benefit questions, claims, locating a provider or questions about the VSP website.

Vision Service Plan (VSP)  
P.O. Box 997100  
Sacramento, CA 95899-7100  
Phone: (800) 877-7195

NRBT-HBS-VSP Employer Sponsored Employer Guide– Rev. 08.01.14