

For brokers and producers only

Date: October 31, 2019

Market: All

Issuance of 2020 Broker Contracts

CareFirst BlueCross BlueShield and CareFirst BlueChoice (CareFirst) will issue the new 2020 agreements electronically through DocuSign® to all contracted agencies selling group business. These new agreements will be emailed the week of November 11, 2019, and will be effective February 1, 2020, through January 31, 2021. CareFirst will require brokers to return their signed and completed agreements and all necessary documentation through DocuSign by December 13, 2019. Reminder notices will be periodically sent through the automated DocuSign process.

IMPORTANT: To begin the DocuSign process, brokers/agencies will receive two emails – one from DocuSign with a link to view and complete the contract and one from bcccontracts@carefirst.com with an access code which will need to be entered each time the link is opened. Please make note of the access code for future reference. As well, please refer to the attached Frequently Asked Questions for assistance with re-contracting.

To avoid disruption of commission payments, we urge our broker partners to adhere to the December 13th deadline. The signed agreement and all credentials must be complete and accurate prior to the effective date of February 1, 2020, to allow time for processing by the Broker Contracting and Compliance (BCC) team. Otherwise, commission payments will cease, and the agency's contract will be terminated. If an agency recontracts and becomes fully credentialed after the effective date of February 1, 2020, commissions will become effective starting the 1st of the month following credentialing. For operational reasons, CareFirst must strictly enforce this policy.

To ensure that all agencies are contracted correctly, at the start of the DocuSign process, brokers will identify their correct contracting status as either a subagent; the principal or primary decision maker for an agency that submits business under its Federal Tax ID; or as a producer who submits business to CareFirst under their personal SSN and their own legal name.

*Note subagents **DO NOT** need to complete the agreement. This self-identification will guide brokers to the correct signature block in the contract. The Federal Tax ID or SSN provided in the contract **must match** the Tax ID or SSN under which business is submitted to CareFirst to ensure the continued distribution of compensation. Like last year, brokers/agencies will be required to attach updated Certificates of Insurance for Errors and Omissions, Commercial General Liability and Cyber Liability insurance.

Additionally, brokers/agencies must attach an updated roster of all subagents selling for their agency, copies of all agency and subagent licenses, and the Full-Service and General Producer Election Form.

As a reminder, continue to follow the normal process for submitting updates to these documents to CareFirst's Broker Contracting and Compliance (BCC) team throughout the year. Updates should be sent to bcccontracts@carefirst.com.

The BCC team will review the submitted agreements and contact the broker/agency directly if additional information is required prior to completing the contracting process. Following this review, brokers will receive a countersigned copy of their agreement in an email from DocuSign to confirm completion of the 2020 contracting process. Brokers will need their original access code to open and save a copy of the document.

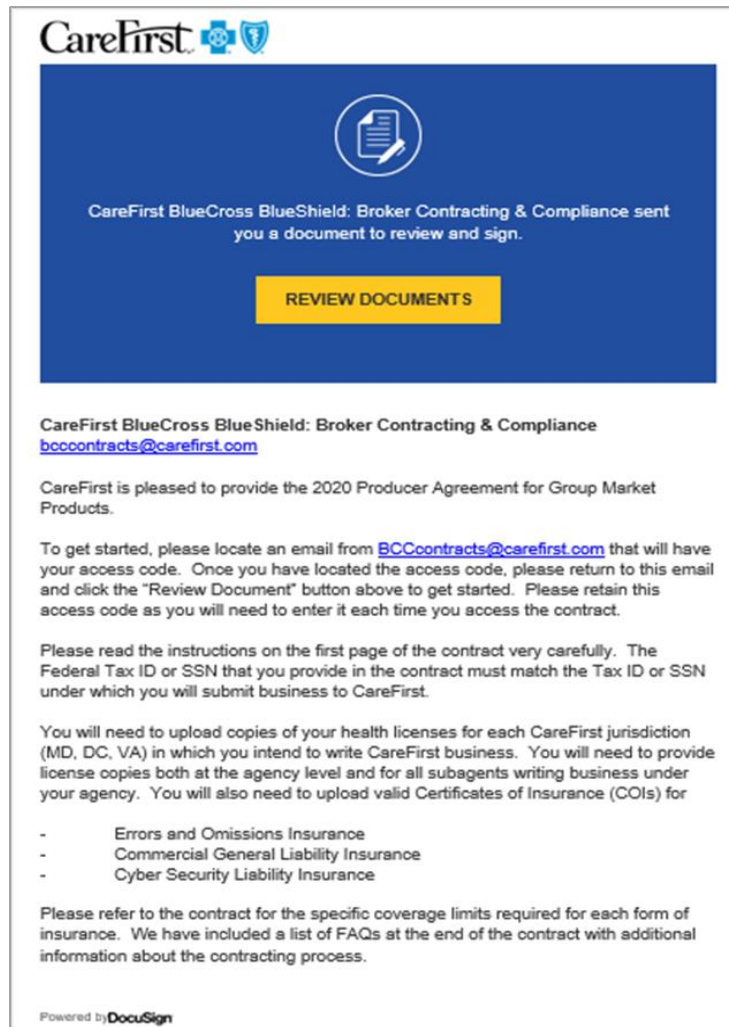
CareFirst is committed to keeping our broker and distribution channel partners engaged and informed. For additional assistance, please contact us at bcccontracts@carefirst.com.

Frequently Asked Questions on CareFirst BlueCross BlueShield (CareFirst) Re-Contracting:

**These FAQs apply to the 2020 Producer Agreement for Group Market Products)*

Q: I never received a DocuSign email with the new Producer Agreement. What should I do?

A: Please double check your inbox and spam folders for an email from DocuSign with the subject "Your Action Required: New 2020 Producer Agreement". The email from DocuSign will look like below.



Q: I never received a DocuSign access code? How do I obtain the code?

A: Please check for an email from bcccontracts@carefirst.com, with the subject "DocuSign Access Code for 2020 CareFirst Contract". Once located, please make note of the access code for future reference. If you are unable to locate this email, please contact bcccontracts@carefirst.com to have the email resent.

Q: After I submit complete and accurate documentation via the DocuSign Agreement, will I receive a confirmation email confirming that I have successfully re-contracted?

A: Yes. After our Broker Contracting and Compliance (BCC) department reviews the provided documentation, they will send the completed DocuSign Agreement back with a countersigned contract. The BCC team will contact you if additional information is needed or if there are any questions or concerns. Because we are re-contracting with thousands of brokers, this may take some time. We ask for your patience during this very busy period.

Q: I see three choices for completing a contract with CareFirst – which applies to me?

A: Please read carefully through the descriptions at the start of the DocuSign process and select the option that applies to you. Please be sure to doublecheck your selection to avoid possible interruption of your compensation. If you are the person with signing authority for an Agency that submits business under its Federal Tax ID, please select the “Agency contracting under a Federal Tax ID” option. You must include COI’s in your agency’s name when you are contracted under an agency’s name/FEIN. If you submit business to CareFirst under your personal SSN and your own legal name, please select the “Agency contracting under a personal SSN” option. You must have COIs in your own name when you are contracted under your personal name. However, if you sell insurance products as an employee or contractor of an Agency, you **DO NOT** need to complete the agreement. Please select the “Subagent” option at the start of the agreement and reply to the DocuSign email you received with the name and email address of the person with signing authority from your organization.

*The Federal Tax ID or personal SSN that you provide in the contract **MUST MATCH** the Federal Tax ID or personal SSN under which you submit business to CareFirst to ensure your continued compensation.

Q: On the first page of the contract in the first paragraph, it asks for the “Producer or Agency Name.” What should I put in this field?

A: Please carefully read the instructions at the start of the DocuSign process to determine which contracting arrangement applies to you (see the previous question for more information). If you selected the “Agency contracting under a Federal Tax ID” option, you will provide the name of your organization on this page. If you selected the “Agency contracting under a personal SSN” option, you will enter your name on this page.

Q: I am completing the Agreement as an Agency and when I click “Sign” on the signature page, I see the name of my agency, not my name. Do I need to change this?

A: Yes. We have a tip directly above the signature line that tells you to **“Click Sign and change the Agency Name to your name.” This is an important step.** The contract will not be valid without a person’s name and electronic signature. When you click on Sign, a box will pop-up called ‘Adopt Your Signature.’ Please change the Agency name that shows in the Full Name box to your name (First Name, Middle Initial, Last Name) and enter your initials in the Initials box. You may then select a style for your signature.

Q: I accidentally signed the Agreement with the name of my Agency. What should I do?

A: Please send an email to bcccontracts@carefirst.com. A member from the Broker Contracting and Compliance (BCC) team will email you a signature revision form for you to sign and return to us.

Q: How do I upload multiple Certificates of Insurance (COI) and licenses at once in DocuSign?

A: DocuSign only allows for files to be uploaded one at a time. There is no ability to “lasso” multiple files at once from the attachment screen. We recommend combining all license documents into one file and all COI documents into another file for the two required attachment “buttons” in DocuSign. Alternatively, you can print and re-scan all required documentation into a single PDF file for upload.

Q: Why is CareFirst requiring Commercial General Liability insurance and Cyber insurance?

A: CareFirst wants to protect its members. We want to be sure that CareFirst groups and subscribers are dealing with agencies that are well protected against losses that could affect the viability of their businesses and the security of member information.

Cyber Liability protects businesses in the event of a data breach in which personal information is exposed or stolen. CareFirst is requiring Cyber Liability insurance because agencies manage Protected Health Information (PHI) and Personal Identity Information (PII) on a regular basis, and cyber security is an increasing concern. Breaches are caused by everything from lost, discarded, or stolen laptops, PDAs, and smartphones, to innocent procedural errors and acts of disgruntled employees. This can happen to any size business, big or small. The data you collect on our members is invaluable and protected. Even if an agency outsources data handling to a third-party agency, it can still be liable for any data that is breached. Typically, a Commercial General Liability policy specifically excludes losses incurred because of the Internet. Email phishing scams, identity theft and telephone hacking are all crimes that traditional Commercial General Liability policies do not cover. A Privacy or Cyber liability policy can pick up where your Commercial General Liability policy leaves off. Certificates of Insurance for these coverages, and for E&O, must be submitted with the contract via DocuSign by December 13, 2019.

Q: Where can I get a Cyber Liability insurance policy?

A: You can check with you current E&O carrier or insurance Producer. Also, BCS, a Blues-owned insurance carrier used by many Producers for E&O insurance, also provides Cyber Liability insurance. You can get information about this coverage on the BCS website at <http://www.bcs-eo.com/carefirst>. There’s a tab for Cyber Liability Insurance at the top of the page.

*Payment can be made by credit card and the Certificate of Insurance is immediately available.

**The above stated suggestion provided regarding access to Cyber Liability Insurance is not meant to be an endorsement of any specific company or policy. The reference to the Blues-owned carrier and the BCS website is provided as a courtesy only and is not intended as a representation regarding the quality of such coverage.*

Q: I work at home and do not have another office or store front. Do I need to submit a Certificate of Insurance for Commercial General Liability insurance?

A: No. However, this is a required field in DocuSign and you will not be able to submit the contract unless a document is uploaded. In this situation, where it says, “Attach Commercial General Liability Insurance COI,” please attach a Word document that explains that you work from home, you do not

have another office or storefront and you do not have a Commercial General Liability policy. This provides a record of why we did not receive a Commercial General Liability COI and will allow you to submit your contract.

Q: I work for an insurance company (like Nationwide, State Farm or New York Life) that provides my office. The company holds the Commercial General Liability policy. Do I need to submit a Certificate of Insurance for Commercial General Liability Insurance?

A: No. However, this is a required field in DocuSign, and you will not be able to submit the contract unless a document is uploaded. In this situation, where it says, "Attach Commercial General Liability Insurance COI," please attach a Word document that explains that you work for a company that provides your office, you do not have another office or storefront and you do not have a separate Commercial General Liability policy. This provides a record of why we did not receive this COI and will allow you to submit your contract.

Q: I am a broker contracted under both my own name and under an agency's name (meaning I have two separate contracts), Do I need to have separate Certificates of Insurance?

A: Yes, you must have COIs in your own name when you are contracted under your personal name as well as COIs in your agency's name if you have two independent contracts.

Q: How do I know how many members to use to determine my Cyber Liability insurance limit?

A: Take the number of medical subscribers that you are being paid commission on and multiply by two. For example, if you are being paid commission on 1,000 total contracts, the number of members is estimated to be 2,000.

Q: How do I move forward as DocuSign is not allowing me to "Finish" and submit the agreement?

A: Review the document to determine the "flagged" issue. Once the "flagged" issue is rectified, the "Finish" button will allow you to move forward and complete/submit the agreement.

Q: My Agency has multiple Tax IDs. Do I need an agreement for each one?

A: Yes. If your Agency will submit business to CareFirst through multiple affiliates with separate Tax IDs, you are required to complete a separate agreement for each Tax ID. Please email bcccontracts@carefirst.com to request additional contracts as needed.