



EMPLOYERS[®]

*America's small business insurance specialist.**

Integrated MediCompSM Group Health & Workers' Compensation

24-Hour Coverage for Small Groups



Introduction

The Problem:

The law requires you to provide your employees with workers' compensation insurance. Health care coverage is optional, but necessary when competing for capable employees. When purchased separately, expect to pay full price for these coverages. When purchased together, however, you may qualify for savings on your workers' compensation insurance premium and your health care premium.

The Solution:

Anthem Blue Cross, a leading innovator in small business health insurance coverage, and EMPLOYERS®, America's small business insurance specialist®, have joined forces to offer Integrated MediCompSM. This program provides health and workers' compensation insurance with the following benefits:

- 24-hour coverage
- Discounted workers' compensation insurance premiums for qualifying employers
- Consolidated invoices
- Quick claim response
- Prompt benefit payments
- A managed care approach
- Fraud and loss control services
- Ease of administration

One program offering you dual coverage through a single source

How Does Integrated MediCompSM Work?

If you have 2-50 employees, you may combine your health coverage and workers' compensation insurance into a comprehensive 24/7 package. Since approximately 54 percent of all workers' compensation claim dollars go to medical costs, Integrated MediComp can provide employees with seamless coverage by allowing them to see their own physicians if they become ill or injured on the job. This process helps return the employee to work rapidly and reduces potentially fraudulent claims that cost you, the employer, money.

If an employee becomes ill or injured on the job, you should send them to a network occupational clinic or provider. However, when an employee is covered through Integrated MediComp, he or she can receive initial treatment for an on-the-job injury from his or her regular doctor. If the employee needs ongoing treatment for the on-the-job injury, the employee's regular doctor will refer him or her to a network occupational doctor.

Combining both workers' compensation and health coverage helps employees stay healthy and on the job, or when injured, return to work in the least amount of time necessary.

Who Can Participate in Integrated MediComp?

Most industries can take advantage of Integrated MediComp, including some types of new businesses. Those businesses engaged in out-of-state operations, employee leasing, agriculture, gas and oil industries, and others may not be considered for coverage.

Anthem Blue Cross covers:

1. Group health coverage. A contract issued to an employer under which employees and their eligible family members may obtain health coverage.

2. Nonoccupational illness or injury coverage. Health coverage for the treatment of non-work injuries or illnesses, plus treatment of an individual who is injured or ill as a result of work and is not covered under workers' compensation, such as an owner of a business.

3. An extensive network of providers. The choice of over 40,000 providers and 400 hospitals OR use of specific providers or facilities in a managed care framework (PPO or HMO).

EMPLOYERS[®] makes insurance available to cover expenses related to:

- **Medical.** This benefit includes all medical treatment for on-the-job injuries. Medical treatment covered under workers' compensation is not subject to an employer deductible, copay or coinsurance percentage.
- **Temporary Disability.** These benefits are paid when an employee is medically unable to work as a result of an on-the-job injury. The benefit amounts to two-thirds of an employee's weekly salary, subject to a minimum and maximum.
- **Permanent Disability.** These benefits are paid when an employee suffers permanent impairment from an on-the-job injury, which can preclude full engagement in the open labor market.
- **Death.** These benefits are paid to dependents when an employee dies as a result of an on-the-job injury. Funeral expenses (up to a \$5,000 maximum) are also part of the benefits.

Anthem Blue Cross and its affiliate Anthem Blue Cross Life and Health Insurance Company offer a wide range of flexible, affordable health plans for small businesses. Workers' compensation insurance and related services are provided by Employers Compensation Insurance Company.

NOTE: Not all network physicians handle workers' compensation cases.

Why Is Integrated MediCompSM the Best Option for You and Your Employees?

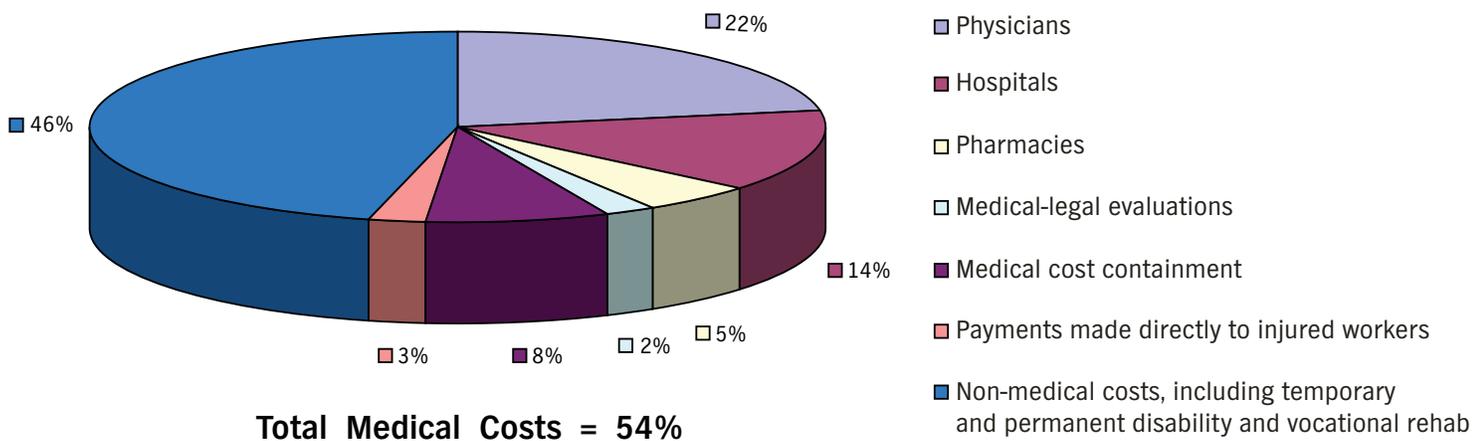


- **Premium savings.** You will save 10% on your workers' compensation policy through EMPLOYERS[®] and you may also qualify for savings on your Anthem Blue Cross Small Group Medical Plan.
- **A wide variety of loss control services are available to Integrated MediComp policyholders.**
The Loss Control staff at EMPLOYERS[®] can help your management team evaluate their safety potential and assist them in identifying cost-effective controls. These services are available at no additional cost to policyholders and can include:
 - Hazard analysis and control using facility surveys to evaluate operations and make recommendations for hazard control
 - Management and supervisory education programs to assist in reinforcing best health and safety practices.
 - Employee safety presentations and training
 - Preliminary industrial hygiene services to assist in the recognition, evaluation, and control of workplace hazards
- **You are rewarded for being safety-conscious.** Customers with documented safety programs in place may receive an additional discount on their workers' compensation insurance rates.
- **Your employee's network family physician can treat both personal illness and work-related injuries, and can refer to specialists when necessary.** Access to the Anthem Blue Cross medical network ensures quality health care and cost-effective rates while reducing unnecessary treatment and expense.
- **A nurse oversees the medical treatment of complex lost-time injuries.** While the treating physician directs the medical treatment, help from a trained nurse, who coordinates with the physician, can be useful in evaluating the employee's medical condition and determining the best method of treatment. This form of team treatment may prompt quicker healing and return to work.

- **Coordination and assistance is provided to implement early return-to-work programs.** Your claims examiner and nurse work with you to find modified duties for your injured employees who may not yet be able to return to their normal duties. Early return-to-work programs can save you money by lowering disability and rehabilitation expenses, while allowing the employee to maintain his or her standard of living.
- **Multilingual claims professionals are available for injured employees.** When employees can ask questions and receive answers from multilingual claims personnel at EMPLOYERS®, they are less likely to seek the services of attorneys due to misunderstandings.
- **A toll-free, 24-hour reporting service is available to assist policyholders in reporting claims.** Helping you report claims promptly not only eases your administrative burdens, but also helps us respond quickly and efficiently to your employees' needs.
- **For workers' compensation claims, the employer, employee and medical provider are contacted by the claims department at EMPLOYERS® within 24 hours of receiving a claim.** Quick response to claims helps everyone involved understand what to expect. Problems can be identified and addressed before they get out of control. Questionable claims are identified for additional action.
- **Claims are thoroughly investigated.** Those suspected of fraud are vigorously pursued with the help of the EMPLOYERS® Fraud Investigation Unit.
- **Benefits are paid promptly to legitimately injured workers.** EMPLOYERS® staff shares the sense of urgency needed for fair and efficient claims management. Paying your injured employees their benefits when they are due helps increase employee satisfaction and reduces the likelihood of unnecessary litigation.
- **Integrated coverage helps reduce administrative billing issues between carriers for occupational and nonoccupational injuries and diseases.** You and your employees benefit from the enhanced communication and coordination of the EMPLOYERS® and Anthem Blue Cross alliance.
- **A single, consolidated bill is provided for the group's health and workers' compensation insurance.** This single invoice allows you to pay one monthly premium for all lines of coverage and workers' compensation.
- **The employee enjoys greater peace of mind when health care is coordinated by his/her personal network physician for both work-related injuries and personal illnesses.** This creates a history between patient and physician, which can help to quickly and accurately diagnose injury or illness.

Did You Know...?

Workers' Compensation Costs¹



Medical expenses, including physicians, hospitals and pharmacies, are the largest component of workers' compensation costs. Anthem Blue Cross and EMPLOYERS[®] have made a commitment to reduce these costs.

- Managed care techniques, such as medical case management and medical bill/utilization review, combine to lower workers' compensation costs and premiums.
- Personal contact, managed medical care facilitation and emphasis on an early return-to-work program may help reduce litigation and its associated costs.
- Access to the Anthem Blue Cross physician and hospital network ensures access to quality health care and cost-effective rates, while reducing unnecessary treatment and expense.
- A combined product for both health and workers' compensation eliminates duplicate claim filings, in turn reducing costs.
- Health and workers' compensation premiums are consolidated into one simple monthly payment, creating easy administration.

¹ 2008 California Workers' Compensation Losses and Expenses Report, June 2008; Workers' Compensation Insurance Rating Bureau of California.

Request Your Integrated MediCompSM Quote Today

How to Receive an Integrated MediComp Quote

- 1) Approximately 60 days before your workers' compensation renewal date, you must request loss runs from the insurance companies who have provided your coverage for the past three years. Request the loss information in writing on your company letterhead. Samples of loss information request letters are included to assist you.
- 2) Make a copy of the information or declaration page of your current policy.
- 3) Complete the workers' compensation application form with the help of your insurance agent/broker.
Note: If you are presently covered by Anthem Blue Cross' Group Medical, be sure to provide your Group Number on the workers' compensation application.
- 4) Gather copies of product brochures, sales literature, or other materials that describe the nature of your business.

Give your agent/broker the following materials:

- Completed workers' compensation application, including ownership and description of operations
- Completed workers' compensation supplemental application
- Copy of your current policy declaration page
- Loss runs for the last three policy years
(**Note:** Loss runs are not required if annual premium is less than \$15,000.)
- Brochures or other literature describing your business

Once the application is approved by the EMPLOYERS[®] underwriter, a quote will be sent for you and your agent to review. If you agree to the quote and the terms, you will need to send your deposit premium (quoted in your proposal) and a copy of the proposal to your Anthem Blue Cross agent. Once your application is processed, you will receive a copy of your policy and a Workers' Compensation Claims Kit.

Sample Letter

[To be completed on the insured's letterhead]

June 27, 2008

Sample Insurance Company
P.O. Box 123
Anywhere, CA 90123-0123

RE: Workers' Compensation Insurance
Policy #: 1046XX-00, 1046XX-01 and 1046XX-02
Effective:

To Whom It May Concern:

We hereby request that you forward Loss Experience Reports to us for the above referenced policies for the last three policy periods, beginning to the present. If possible, I would appreciate you sending these reports by return fax to (XXX) XXX-XXXX. I would like to receive the reports within the next two weeks.

If you have any questions, please call me at (XXX) XXX-XXXX. Thank you for your cooperation.

Sincerely,

Tom Jones
President

[This is an example of an initial request for Loss Experience Reports, which policyholders can send to their insurer(s). If the Loss Experience Reports are not received within two weeks from the date the letter is mailed, a stronger follow-up letter should be sent.]

Application & Supplemental Application (Questionnaire)

Application and Underwriting Guidelines

- A workers' compensation application needs to be submitted to the EMPLOYERS® office to receive an Integrated MediCompSM rate quote.
- The application should be submitted at least 15 days prior to the effective date (the earlier the better).
- It is required that a supplemental application be completed for each prospective insured to provide the Underwriting Department with a complete understanding of the account.
- The number of employees, both full- and part-time, is essential to evaluating an account.
- Provide the level of contribution by the employer towards payment of health benefits on behalf of the employee.
- If the company currently has an Anthem Blue Cross Medical plan, the Group Number should be referenced on the workers' compensation application and written on any correspondence.
- Some groups in business less than one (1) year may be considered only in conjunction with an Anthem Blue Cross Small Group Medical plan.
- Provide a copy of the company's current workers' compensation policy to expedite application processing.

HOW TO COMPLETE THE APPLICATION

- **All** the blank areas of the application must be completed.
- The completed application must be **signed by the insured/applicant**.
- Please **read** through these instructions for help in completing the application.
- **For agent:** If this is your first submission, please send a **copy** of your Fire & Casualty license, or I.E.A. Certificate **and** your Life Agent license, with your first submission.

Page One of Application:

- Please provide an Anthem Blue Cross Small Group policy number or indicate if the applicant is currently applying for a Small Group policy.
- **BROKER INFORMATION** – Application **must** have complete broker/agent information and application **must** be signed by **insured/applicant**.
- **COMPANY INFORMATION** – Provide the **full name** and mailing address of the applicant, the **number of years** in business and **indicate** whether the applicant is an Individual, Partnership or Corporation. Provide the **Federal Employer ID number** for the applicant. The NCCI ID number and other Rating Bureau ID numbers are not necessary.
- **LOCATIONS** – Provide **all physical** locations for the applicant.
- **POLICY INFORMATION** – Provide the **proposed effective date** and **expiration date**. Show **CA** for California in Part 1 (States).
- **RATING INFORMATION** – Show **CA** for California. Provide the respective **class codes*** of the payroll, **classification description,* number of employees** in that class **and total payroll** in that class. If available, please provide the applicant's Experience Modification.

*A copy of the client's Declaration Page of their current coverage will assist you in determining classifications.

Page Two of Application:

- **INDIVIDUALS INCLUDED/EXCLUDED** – List **all OFFICERS** or **PARTNERS** to be included **or** excluded from coverage, **including** title and ownership percentage, totaling 100%.
- **PRIOR CARRIER INFORMATION** – Provide **currently valued loss runs** from the prior carrier for the last 3 years; this information may be obtained from the applicant who would get them from their prior carrier. (**Note:** Loss runs are not required if annual premium is less than \$15,000.)
- **NATURE OF BUSINESS** – Provide a **complete description** of the applicant's operations (attach a business brochure, if available).
- **GENERAL INFORMATION** – Answer "**yes**" or "**no**" to **all** questions. Explain all "**yes**" answers in the "Remarks" section below. Provide a **contact** person's name and telephone number or indicate if the applicant is currently applying for a Small Group Policy.

Sign and Date the Application

Note: Please also complete the worker's compensation supplemental application

MAIL OR FAX THE COMPLETED APPLICATION TO EMPLOYERS®:

P. O. Box 9057 · Oxnard, CA 93031 · 800/520-1683 · Fax 805/499-7214

WORKERS' COMPENSATION APPLICATION

Please type or print

PLEASE FAX or MAIL COMPLETED APPLICATION

Name of Company EMPLOYERS COMPENSATION INSURANCE COMPANY	Group Health No.	Date (MM/DD/YY)
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Will this Workers' Compensation Application be integrated with an Anthem Blue Cross Small Group Health Plan? Yes No *If yes, please continue.*

BROKER INFORMATION

Writing Broker's Name	Broker License No.	
Broker Address	General Agent License No.	Broker Employer I.D. No.
City/State/ZIP Code	Phone No.	Fax No.

COMPANY INFORMATION

Name of Company and D.B.A.	Years in Business
<input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Subchapter "S" Corp <input type="checkbox"/> Other (specify):	
Mailing Address	Federal Employer I.D. No.
City / State / ZIP Code	Other Rating Bureau I.D. No.

LOCATIONS

#	Address	City/County/State/ZIP Code
1		
2		
3		

POLICY INFORMATION

Proposed Effective Date (MM/DD/YY)	Proposed Expiration Date (MM/DD/YY)	Normal Anniversary Date (MM/DD/YY)
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Part I (State)

Provide the level of contribution by employer towards payment of health benefits on behalf of the employer

RATING INFORMATION (MANDATORY)

State	LOC	Class Code	Categories/Duties/Classifications	Number of Employees		Estimated Annual Payroll
				Full-Time	Part-Time	

Specify Additional Coverages/Endorsements (All exposures checked above should be explained)

INTEGRATED MEDIComp WORKERS' COMPENSATION APPLICATION (Continued)

INDIVIDUALS INCLUDED/EXCLUDED

Partners, officers, relatives to be included or excluded (Remuneration to be included must be part of Rating Information section)

#	Name	Date of Birth	Title/Relationship	Ownership %	Duties	Include/Exclude	Class Code	Remuneration

PRIOR CARRIER INFORMATION/LOSS HISTORY

Provide information for the past five (5) years and use the Remarks section for loss details. (Must have a minimum of three (3) years loss runs attached).

Year	Carrier	Policy No.	Annual Premium	Mod.	No. Claims	Amount Paid	Reserve

NATURE OF BUSINESS/DESCRIPTION OF OPERATION (MANDATORY)

Provide comments and descriptions of business, operations and products. Manufacturing: raw materials, processes, product, and equipment. Contractor: type of work, subcontracts. Mercantile: merchandise, customers, and deliveries. Service: type, location. Farm: acreage, animals, machinery, and subcontracts.

GENERAL INFORMATION

Please explain all "Yes" responses in the "Remarks" section below.			Yes	No	Please explain all "Yes" responses in the "Remarks" section below.			Yes	No
1. Does applicant own, operate or lease aircraft/watercraft?	<input type="checkbox"/>	<input type="checkbox"/>			10. Any employee under 16 or over 50 years of age?	<input type="checkbox"/>	<input type="checkbox"/>		
2. Does operation involve storing, treating, discharging, applying, disposing or transporting of hazardous material? (e.g., landfills, asbestos, wastes, fuel tanks)	<input type="checkbox"/>	<input type="checkbox"/>			11. Any employees over 60 years of age?	<input type="checkbox"/>	<input type="checkbox"/>		
3. Any work performed underground or above 15 feet?	<input type="checkbox"/>	<input type="checkbox"/>			12. Any part-time or seasonal employees?	<input type="checkbox"/>	<input type="checkbox"/>		
4. Any work performed on barges, vessels, docks, or bridges over water?	<input type="checkbox"/>	<input type="checkbox"/>			13. Is there any volunteer or donated labor?	<input type="checkbox"/>	<input type="checkbox"/>		
5. Is applicant engaged in any other type of business?	<input type="checkbox"/>	<input type="checkbox"/>			14. Any employees with physical handicaps?	<input type="checkbox"/>	<input type="checkbox"/>		
6. Are subcontractors used?	<input type="checkbox"/>	<input type="checkbox"/>			15. Do employees travel out of state?	<input type="checkbox"/>	<input type="checkbox"/>		
7. Any work sublet without certificate of insurance?	<input type="checkbox"/>	<input type="checkbox"/>			16. Are athletic teams sponsored?	<input type="checkbox"/>	<input type="checkbox"/>		
8. Is a formal safety program in operation?	<input type="checkbox"/>	<input type="checkbox"/>			17. Are pre-employment physicals required?	<input type="checkbox"/>	<input type="checkbox"/>		
9. Any group transportation provided?	<input type="checkbox"/>	<input type="checkbox"/>			18. Any other insurance with this insurer?	<input type="checkbox"/>	<input type="checkbox"/>		
					19. Any prior coverage declined/cancelled/nonrenewed (last 3 years)?	<input type="checkbox"/>	<input type="checkbox"/>		

Inspection Contact	Phone No.	Account Records Contact	Phone No.
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Remarks

Signature of Insured _____ Date _____

**Workers' Compensation
Supplemental Application**

Name of Insured: _____ Eff Date: _____
 Agency/Brokerage Firm: _____ Attn: _____ Fax: _____

Employee Benefits:

- A. Medical Insurance: **Carrier:** _____
 () Employer pays 80% or more of All Employees
 () Employer pays 50% or more of All Employees
 () Employer pays 49% or less of All Employees
 () Benefits provided only to Management & Supervisors
 () No Medical Benefits provided
- B. Employer paid Vacation? Yes () No ()
 C. Employer paid Sick Leave? Yes () No ()

Employee Management:

- A. Pre-hire Screening:
 Applications: Yes () No ()
 Reference Checks: Yes () No ()
 Physical Examinations: Yes () No ()
- B. Pre-employment Drug Testing: Yes () No ()
 C. Post-accident Drug Testing: Yes () No ()

Employee Profile:

- A. Union Yes () No ()
- B. No. of W2's filed for last reporting period: _____
 Starting Wage per hour: \$ _____
 Average Wage per hour: \$ _____
 # Permanent Employees: _____ # Full Time _____ # Part Time: _____
 # of Employees per Class:
 Class: _____ # _____ Class: _____ # _____
 Class: _____ # _____
 # Temp/Seasonal Employees: _____
 Employee Turnover per year: _____
 Average # of years with Company: _____
- C. Interchange of labor (if yes, existence of physical separations) _____

- D. Percent of payroll for "off premises" operations: _____ %
 Operations performed off employer's premises: _____

- E. No. of Company Autos _____ No. of Drivers: _____
 No. of Company Trucks _____
 Radius of Driving Operations: _____ MVR's Checked: Yes () No ()
 How often are MVR's run: _____ per year.
- F. Do Employees drive their personal autos on Company Business: Yes () No ()
 G. Are Employees allowed to use motorcycles on Company Business: Yes () No ()
 H. Hours of Operation _____
 I. Any weekend, nightshifts or graveyard shifts? Yes () No ()
 J. Early Return-to-Work Program? Yes () No ()
 K. If the risk is a restaurant, do they also operate a micro-brewery? Yes () No ()

Employee Safety Program:

- A. New Employee Orientation Plan Yes () No ()
 B. Formal Written Safety Program Yes () No ()
 C. Documented Safety meetings with all Employees? Yes () No ()



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- D. Safety Incentive Plan Yes () No ()
- E. Written Supervisor Accountability Plan Yes () No ()
- F. Full-time Safety Director/Risk Manager Yes () No ()
- G. Employee Training Program for all employees? Yes () No ()
- H. Documented Physical Inspections of premises Yes () No ()
- I. Maximum weight lifted manually _____ lbs
Controls (back belts, forklifts) _____
List mechanical lifting devices used: _____
- J. Machine safety guards in place: Yes () No ()
- K. Lockout/Tag-out Program in place? Yes () No ()
- L. Personal Protective Equipment provided and usage enforced? Yes () No ()
- M. Documented Accident Investigation? Yes () No ()
- N. Formal Disciplinary Procedure in place? Yes () No ()

Employee & Payroll Trends:

- A. Future Staff Increases: _____ Future Staff Decreases: _____
- B. Future Layoffs Foreseen: _____ Yes () No ()

Management:

- A. Owners: Active in Management: Yes () No ()
- B. Trade Associations: _____
- C. Group Transportation Provided: Yes () No ()
- D. Ratio of Supervisors to Employees: _____
Average # of years' experience: _____
Average # of years with Company: _____

Claims:

Please forward the following year's loss information to us:
Valuation date should be within 90 days of the policy inception date.

- Current Year
- 1st Year Prior
- 2nd Year Prior
- For all claims over \$25,000, please advise the following:
What was the injury? _____
How did it occur? _____
What corrective action has the insured taken to prevent recurrence? _____

Please send us a current experience modification worksheet

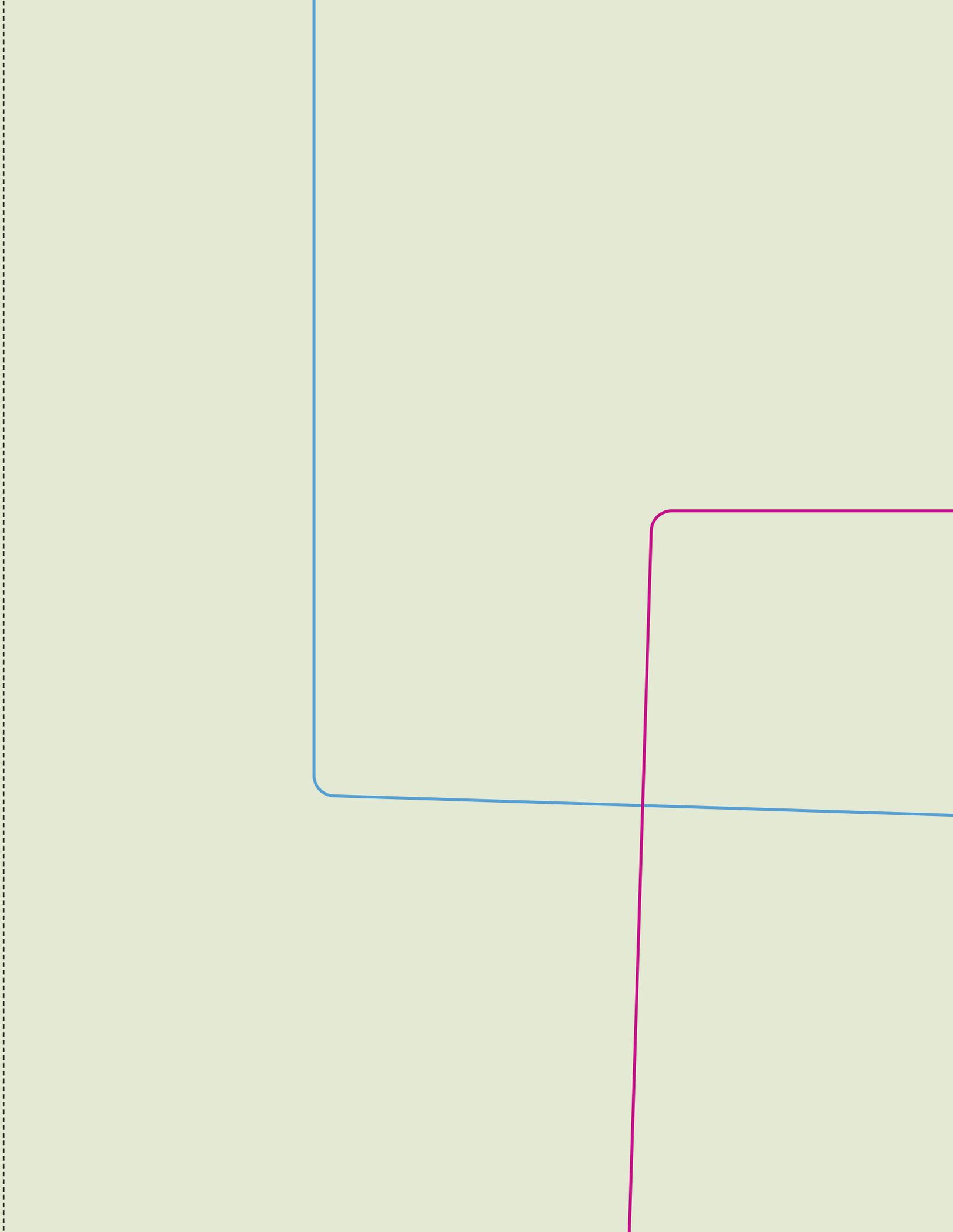
Insured's Website Address: _____

Additional Information/Comments:

Please return this Questionnaire by: _____

Completed By: _____ Date: _____

Title: _____





Anthem Blue Cross is the trade name of Blue Cross of California. Anthem Blue Cross and Anthem Blue Cross Life and Health Insurance Company are independent licensees of the Blue Cross Association. ® ANTHEM is a registered trademark. The Blue Cross names and symbols are registered marks of the Blue Cross Association.

Medical coverage is provided by Anthem Blue Cross and Anthem Blue Cross Life and Health Insurance Company.

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Anthem Blue Cross
2000 Corporate Center Drive
Newbury Park, CA 91320
(800) 520-1683

anthem.com/ca

ECABR3772C 12/08

The logo for EMPLOYERS. The word "EMPLOYERS" is written in a bold, blue, sans-serif font. A red horizontal line is positioned directly beneath the text.

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