



FREQUENTLY ASKED QUESTIONS:

Humana's Employer Group Commercial Medical Products exit

Revised 3/9/2023

ANNOUNCEMENT DETAILS

Why has Humana decided to discontinue offering Employer Group Commercial Medical plans?

Our decision was made only after a thoughtful strategic and financial review of our Employer Group Commercial Medical business, taking into account valuable feedback from our customers and members, among other considerations. Through this review, we determined that we were not able to meet the long-term needs of our Employer Group Commercial Medical customers. Importantly, no other Humana health plan offerings are materially impacted by this decision – including Medicare Advantage, Medicare Supplement, Group Medicare, Medicare Prescription Drug Plans, Medicaid, Military and Specialty (Employer Group Commercial Dental, Vision and Life; and individual Dental and Vision plans) – or any of our CenterWell healthcare services lines of business.

Does this impact other Humana lines of business?

Importantly, **no other Humana health plan offerings are materially impacted by this decision** – including Medicare Advantage, Medicare Supplement, Group Medicare, Medicare Prescription Drug Plans, Medicaid, Military and Specialty (Employer Group Commercial Dental, Vision and Life; and individual Dental and Vision plans) – or any of our CenterWell healthcare services lines of business. These lines of business are a strength of Humana's and are in line with the company's strategy to focus our health plan offerings primarily on Government (Medicare, Medicaid and Military) and Specialty businesses, deploy more capital to our value-based care efforts and expand our CenterWell healthcare services capabilities to best position Humana for long-term growth and success.

Is Go365[®] going away for Humana Employer Group Commercial members?

Embedded Go365 will be available for Employer Group Commercial Medical plan members until their Humana Medical plan(s) terminate. Additionally, Go365 will no longer be available as a standalone product. Standalone renewals for clients with renewal dates through July 2023 will be honored, otherwise groups will terminate on their next renewal date. **However, Go365 by Humana will still be available for Humana Medicare Advantage, Group Medicare and Medicaid members.**

Why is Humana only exiting the Employer Group Commercial Medical business?

This decision is in line with the company's strategy to focus our health plan offerings primarily on Government (Medicare, Medicaid and Military) and Specialty businesses, deploy more capital to our value-based care efforts and expand our CenterWell healthcare services capabilities to best position Humana for long-term growth and success.

How might this decision affect Humana financially?

This decision is not expected to have a material impact on our 2023 financial results. Financial results for Employer Group Commercial Medical Products will be adjusted for non-GAAP purposes going forward.

How will Humana wind down the Employer Group Commercial Medical Products business while meeting group contractual agreements?

The Employer Group Commercial Medical Products business will wind down in a thoughtful, phased approach that contemplates all state and federal requirements for insurers and contractual obligations, while ensuring that the transition for all commercial customers and their employees is smooth.

How will Humana support employers and members during this transition?

We have a long history of caring for people and continuing to provide a high level of customer care is of great importance to Humana. Employers and members can be assured we are committed to maintaining our service levels and benefit payments during this transition period. In the immediate term, employers and members do not need to take any action. Employers and their agent or broker will be notified at least 180 days ahead of when their Employer Group Commercial Medical plan would have renewed letting them know what to expect next.

Why is Humana exiting the business now?

Our decision was made only after a thoughtful strategic and financial review of our Employer Group Commercial Medical business, taking into account valuable feedback from our customers and members, among other considerations. The Employer Group business has been experiencing financial challenges for some time and despite our best efforts to improve some of the fundamentals of profitability and make progress on trend, we are still experiencing financial stressors which have led us to make this decision now to exit the Employer Group Commercial Medical business.

Is Humana committed to the Specialty business?

Yes, we are dedicated to our Specialty business for both group and individual in support of Humana's long-term strategic plans. We will continue to provide innovative plan designs and national networks backed by an award-winning service experience for employers and members. Our Specialty plans will continue to provide a growth opportunity for Humana's Employer Group Commercial, Medicare and individual lines of business. Additionally, we recently expanded our salesforce to focus on standalone Employer Group Commercial Specialty business and the early results have been positive. We look forward to continuing that momentum.

When will the fully insured Employer Group Commercial Medical Products exit begin and when will it end?

Humana will follow all state, federal and contractual notification requirements to wind down the business. **In the immediate term, employers and members do not need to take any action.** Pending state approvals, we don't expect to offer renewals to groups that would otherwise renew starting in November 2023 through January 2024 (staggering start dates) then continuing throughout 2024. All impacted groups and their agent or broker will be notified at least 180 days prior to when their Medical coverage would have renewed. This notification process will continue monthly until all groups are notified with all Medical membership projected to term by late 2024.

When will the self-funded [Administrative Services Only (ASO) & Level Funded Premium (LFP)] Employer Group Commercial Medical Products exit begin and when will it end?

In the immediate term, employers and members do not need to take any action. We expect to send non-renewal notifications to self-funded customers that would otherwise renew starting in November 2023 through January 2024 (staggering start dates) then continuing throughout 2024. The self-funded [Administrative Services Only (ASO) & Level Funded Premium (LFP)] Employer Group's exit dates align with the fully insured exit dates by state, beginning in November 2023. All impacted self-funded customers will be notified at least 180 days prior to when they would have renewed. This notification process will continue monthly until all impacted customers are notified. All Medical membership is projected to term by late 2024.

How will agents/brokers and groups be notified of this decision?

On February 23, 2023, contracted agents/brokers and in-force employers received an email notification with FAQ letting them know of our decision to exit the Employer Group Commercial Medical Products business and the continued availability of other lines of coverage.

Additionally, upon initiation of the exit in that state, all impacted groups will be notified at least 180 days prior to the group's renewal date. Agents and brokers will also be notified via email a couple days prior to the 180-day employer notifications.

How will this impact Group Medicare members?

This change does not impact Humana's Group Medicare or Medicare-eligible (65+) customers. Our Group Medicare members will continue to benefit from our retiree-centric approach to making health easier, as well as the same level of service and support they are used to.

How will this impact pre-65 retiree coverage?

Our non-Medicare eligible retirees, and those who have qualified for our Pre-65 PPO product, will no longer have fully insured coverage with Humana as of 1/1/2024. We will have a new nationwide, self-funded solution available through a third-party administrator (TPA). The TPA offers a full suite of administrative support with clinical and member services, an easy-to-use digital experience and stakeholders with national, regional, and narrow networks. Details will be shared soon.

Is CenterWell Pharmacy and CenterWell Specialty Pharmacy going away?

No, CenterWell Pharmacy and CenterWell Specialty Pharmacy remain critical to Humana's business strategy. Additionally, CenterWell Pharmacy and Specialty Pharmacy will continue to support other Humana lines of business, including Employer Group Commercial Medical, for as long as membership remains.

