



<p>Age Band or Composite:</p>	<p>Composite rates available to groups enrolling 25 + employees (may offer a maximum of only 4 plans & at least 1 person must enroll in each to offer to new hires). 2 - 24 lives, age rates only.</p>	<p>Only age band rates available. Composite rates are not available for groups of 2 to 50 lives.</p>	<p>2 - 9 lives = age band rates only. 10 - 50 lives = composite rates available for the HMO, EOA & POS plans. Age band rates only for Enhanced Choice, Silver Choice or Hn Options.</p>	<p>Only age band rates available. Composite rates are not available for groups of 2 to 50 lives.</p>	<p>Only age band rates available. Composite rates are not available for groups of 2 to 50 lives.</p>
<p>Carrier Wrap Requirements:</p>	<p>Aetna will stand alongside another carrier's HMO plan as long as Aetna enrolls the greater of 50% of the eligible employees or a minimum of 8 enrollees. When wrapping with Kaiser, a waiver form will need to be completed by each person enrolled with Kaiser (Kaiser billing statement alone will not be acceptable).</p>	<p>Blue Shield single or dual option plans may be offered with another carrier's HMO as long as Blue Shield enrolls 75% of the total active eligible employees. The SimpleSelect portfolio may be written alongside another carrier HMO plan with 75% of the eligible enrolling employees enrolling with Shield. The SimpleSync portfolio may be written alongside another carrier's HMO plan with a minimum enrollment in the Blue shield plans of 5 enrolled employees or 50% of the group's total employees whichever is greater (65% overall participation still required between the two carriers). Blue Shield may decline to renew the group if participation levels falls below these levels during the plan year, and Blue Shield may conduct periodic audits to confirm participation is being met at these levels. Waivers are required for the employees that are enrolling in the other carrier's plan (under all circumstances).</p>	<p>For groups of 2 - 5 lives Health Net must be the sole carrier offered. For groups of 6 - 50 employees, Health Net may be offered with another carrier with a minimum of 6 enrolled with Health Net. HMO (regular or silver network) or EOA may be offered with another carrier if Health Net participation is 50%. A PPO or POS plan may be written with another carrier if Health Net participation is 75%. Dual Choice, Enhanced Choice or Silver Choice is also available if Health Net participation is 75%. Hn Options portfolio may be offered with another carrier with a minimum of 5 enrolled (12 plans available) or 10 enrolled (17 plans available) and 60% of the group enrolling with either carrier. A copy of the other carrier billing statement will be required for any employees not enrolling with Health Net. If billing statement is not available yet from the other carrier, then a copy of the other carrier master application is required and on the DE6, list the other coverage for the employees not enrolling with Health Net.</p>	<p>For groups of 2 to 9 lives, Sharp must be the sole carrier. For groups of 10 to 15 enrolled employees, a minimum of 10 must enroll with Sharp. For 16 + enrolled employees, the greater of 10 employees or 50% of the group must enroll with Sharp. May have single HMO plan only. No Sharp wrap with California Choice allowed either. A copy of the other carrier's billing statement will be required for any employees not enrolling with Sharp. If a billing statement is not yet available from the other carrier, then the employees on the DE6 not enrolling with Sharp should be marked as enrolling in the other carrier's plan.</p>	<p>PremierSource product portfolio is the only available option to wrap UHC products with a staff model HMO carrier (Kaiser). PremierSource requires at least 75% participation between the two carriers with a minimum of 5 enrolling in the PremierSource portfolio. With this program, you may select up to 9 PPO/HMO plans (the Balanced 40/1000/70% PPO, Balanced 40/1500/70% PPO, Balanced Value 40/1000/70% PPO, Choice Plus HSA1500/80% PPO, Choice Plus HSA3000/90% PPO, Choice Plus HSA3000/80% PPO, 40-60/60% HMO, 20-40/70%/1500d HMO or 40-60/70%/2000d HMO). HMO plans may be offered with the reduced Advantage network (but both cannot be written together). With the PPO plans, you may offer either calendar year or policy year plans only. A copy of the Kaiser billing statement (if already with Kaiser) or a copy of the Kaiser employee enrollment forms are required for any employees not enrolling under PremierSource.</p>
<p>Carve Out Criteria:</p>	<p>Carve outs allowed are CA location, union vs. non union, management vs. non-management, and salary vs. hourly. The group must enroll and maintain 8 employees in the California service area and coverage is not guarantee issue for all type of carve outs. Definition of all employee classes on company letterhead must be provided, and total group size between the class written and the class carved out must be 50 or less.</p>	<p>Class based carve outs that discriminate in favor of highly compensated employees such as management vs. non-management carve outs are no longer eligible for coverage by Blue Shield. The only carve outs that will be allowed on a non-GI basis with full health statements from each employee are salaried vs. hourly wage earners (as long as this does not result in the limitation of coverage to highly compensated employees), location carve outs, and union vs. non-union when the union employees do not have access to health coverage through a union trust fund (see union carve outs section for additional rules for writing just union carve outs). Minimum of 8 enrolling employees required, clear definition of the carve out classification required, and Blue Shield must be the only carrier offered.</p>	<p>Health Net must be the sole carrier offered to the carve out population and full health statements will be required. Group will be issued on a non-guarantee issue basis unless other group coverage is offered to the employees excluded in the carve out (coverage offered to 100% of eligible employees in the AB1672 group). A minimum of 5 employees must enroll with Health Net for coverage. Hn options products not available to carve out groups.</p>	<p>Class Carve outs may be accepted on a non-GI basis with underwriting approval with a minimum of 5 enrolled, full health statements from each individual and 100% participation.</p>	<p>Salary vs. hourly, union vs. non-union, and management vs. non-management carve outs are allowed if the total group size is under 51 lives. All other participation guidelines must be met and a minimum of 5 employees must enroll with UHC. No other carrier may be offered to the classed out employees or to the excluded class, and coverage is not guarantee issue. Employer must submit a signed & dated letter on their letterhead confirming the eligible class description and verifying that no other group medical coverage is being offered the employees excluded by the class description.</p>



blue of california



Employer Eligibility:	Group must employ 2 to 50 employees for 50% of the days in the preceding calendar quarter or calendar year prior to the effective date of coverage. May use whichever test is more favorable to determine eligibility. Also majority of the employees must be employed in California. In determining the number of eligible employees, companies that are affiliated or eligible to file a combined state tax return shall be considered one employer. Groups of 2-5 employees will be required annually to provide proof that they still meet all eligibility & participation requirements at renewal. Newly formed business (at least 6 weeks) may be written guarantee issue if specific requirements can be satisfied. See Start Up Business section for complete list of requirements. Note, when determining group size, any union employees in the group may be counted to determine if there are 50 or more employees. If there are over 50 employees, then the group may not be written in small group even though those union employees may be determined to be ineligible or may be excluded.	The group must employ at least 2 and not more than 50 employees for 50% of the days in either the preceding calendar quarter or calendar year (use whichever test is more favorable to determine eligibility). 51% of the eligible employees must be employed in California. Group must also maintain a business license or appropriate state filing to conduct business in California. Also, the group cannot have terminated Blue Shield coverage within 12 months prior to the application to Blue Shield. If the group's eligibility is based upon or includes part time employees, then all four DEGs from the previous year will be required. Also, any part time employees must have worked for the company for 50% of the previous quarter in order to be eligible for coverage.	The group must employ at least 2 & not more than 50 employees for 50% of the days in either the preceding calendar quarter or calendar year (use whichever test ensures eligibility). Majority (51%) of the employees must be employed in California. Businesses formed outside California must show evidence of ability to conduct business in California. Companies that are affiliated and eligible to file a combined tax return for purposes of state taxation will be considered one employer. For guarantee issue coverage though, Health Net will take a group enrolling 6 or more employees that has been in business for 6 weeks prior to the effective date of coverage with a copy of the full 6 weeks of payroll. Groups of 1 to 5 employees must satisfy the AB1672 requirement for length of time in business in order to written for coverage. Also, a group cannot have terminated Health Net coverage within 12 months prior to their application to Health Net.	Group must employ 2 to 50 employees for 50% of the days in the preceding calendar quarter or calendar year prior to the effective date of coverage. May use whichever test is more favorable to determine eligibility. In determining the number of eligible employees, companies that are affiliated or eligible to file a combined state tax return shall be considered one employer.	The group must be in business for 50% of the days in the preceding calendar quarter prior to the effective date and employ at least 2 but no more than 50 permanent, full time employees. Out of state, non-union and employees waiving coverage are included in determining the employee count for group size; employees in the waiting period and those who have left the company are not. In determining group size, companies that are affiliated and eligible to file a combined tax return for purposes of state taxation shall be considered one employer. If more than 51% of the employees are located outside of California, then the contract must be written out of the state where 51% of the employees are located. If there is no state with a majority of the employees, then the group must be written out the state that the group is head quartered in. The group may be written on a <u>non</u> -guarantee issue basis in this case if the group is head quartered in California and more than 49% of the employees are outside of California. They will be subject to full health statements and are not eligible for any RAF promotions.
15th of the Mo. Effective Date:	Yes. All application material must be received by the 5th business day after the requested effective date. Only for groups with no prior coverage or are coming off of a 15th of the month effective date.	Yes, but only if replacing coverage that is already on a 15th billing cycle. All application material must be received by the 20th working day of the month that coverage is applied for.	Yes, but only if replacing coverage that is already on a 15th billing cycle. Also to get a 15th of the month effective date, no HMO plans may be offered (PPO only) and group cannot have Enhanced Choice, Silver Choice or Health Net Options packages either. All application material must be received by the 20th of the month that coverage is applied for.	Not Available	Yes, but can only offer a single UHC stand alone PPO plan, and the group must be enrolling 4 or less employees. No HMO, Multi-Plan options or group enrolling 5+ employees allowed for a 15th effective date. Application material must be received by the 20th of the month.
HRA Eligibility:	Yes. Effective 2/1/12 Aetna will allow only the MC HRA 3000 80/50, MC HRA 5000 80/50, and the HMO Deductible plans to be offered with any form of employer sponsored funding or wrapping of the deductible, coinsurance or compayment amounts. Funding is no longer limited to 50% of the deductible amount. Group is only eligible for the RAF promotion though if funding is through Aetna Healthfund HRA or a federally qualified HSA (for HSA plans).	Yes. Only the Simple Savings 3400/6800 plan is available with an employer sponsored type wrap arrangement. No HRA banking services are available from Blue Shield.	Yes. Only the following plan is available with an HRA wrap: HRA 3000 PPO and HRA 5000 PPO. These plans may be offered in the Enhanced Choice and Silver Choice multiple plan selections. No HRA banking services are available at this time.	No HRA funding available at this time.	Yes. Only the following plans are available with HRA funding: Choice Plus 2000/70% PPO or Choice Plus 3000/70% PPO plans. May be offered as part of the UHC Multi-Choice Series multiple plan selection (see below for additional restrictions on the Multi-Choice Series). United Benefit Services banking services are available for an additional charge. The maximum amount of deductible that can be funded is 50% of the deductible amount.



<p>Multiple Plan Options:</p>	<p>Multiple plan options available to groups enrolling 2 or more employees through Pick a Plan. The employer may select as few or as many different plans from Aetna's portfolio that they would like to offer to employees & must contribute 50% of the employee rate for the plans that the employee select. Aetna Value Network HMO plans may be offered with the regular network HMO products under Pick a Plan with all other medical products. If the group is not enrolling in Pick a Plan, then they may offer a maximum of 3 plans. If they want to offer more than 3 plans, then they will automatically be enrolled in Pick a Plan.</p>	<p>SimpleSelect package is available to groups enrolling 2 or more eligible employees and allows employer to offer from 2 to 28 different HMO & PPO plans with this package with a minimum participation of 75% of all eligible employees, and a minimum contribution of \$100 per employee or 50% of the total employee premium. Local Access HMO plans are only available in this package, and they may not be offered alongside the full network HMO plans. Employers whose place of business is located outside of one of the Blue Shield HMO service areas will not have the option of offering an HMO plan within SimpleSelect. SimpleSync reduced plan portfolio of 9 plans is also available. SimpleSync requires a minimum of 5 enrolled employees, and a minimum participation of at least 65% of all eligible employees to enroll. This package may also be offered with another carrier's HMO plan if Blue Shield's enrolls the greater of 5 employees or 50% of the group's total enrolled employees (must still have 65% total participation between both carriers though). Local Access HMO plans are not available with SimpleSync. The same employer premium contribution rules to SimpleSync that apply to SimpleSelect. one of the Blue Shield HMO service areas will not have the option of offering an HMO plan within SimpleSelect. SimpleSync reduced plan portfolio of 9 plans is also available 1/1/12. SimpleSync requires a minimum of 5 enrolled employees, and a minimum participation of at least 65% of all eligible employees to enroll. This package may also be offered with another carrier's HMO plan if Blue Shield's enrolls the greater of 5 employees or 50% of the group's total enrolled employees (must still have 65% total participation between both carriers though). Local Access HMO plans are not available with SimpleSync. The same employer premium contribution rules to SimpleSync that apply to SimpleSelect.</p>	<p>Enhanced Choice option allows groups with 2 or more enrolled employees to offer all Health Net plans except the Silver network HMO plans. May select as many different plans from HealthNet's portfolio as they would like to offer their employees. The minimum contribution is 50% of the lowest cost plan option or \$100, & 75% participation required. Health Net must be the sole carrier for groups of 2 to 5 for Enhanced Choice (6+ lives to offer with another carrier). Hn Options plans may also be included in Enhanced Choice with 75% participation in Health Net and minimum enrollment for package offered. Silver Choice or Bronze Choice are also available with Silver or bronze HMO plans and Health Net PPO plans (including Hn Options PPOs, but excluding the POS plans) for groups of 2 to 5 lives (6+ lives to offer with another carrier) at 75% participation and a 50% or \$100 minimum employer contribution. You may also offer 4 full network HMO plans (Std HMO 20, Std HMO 30, Value HMO 30 and Value HMO 40) with the Silver or Bronze Choice packages.</p>	<p>Minimum of 6 enrolled employees required to offer multiple plan selections (and Sharp must be the only carrier). Dual plan & network options are available (So. Riverside county where both networks must be offered).</p>	<p>Groups enrolling 5 or more employees must enroll under a UHC Multi-Choice Series package (only groups of 4 or less enrolling employees may offer a single HMO or PPO option). The group may offer all full network HMO plans or all HMO Advantage plans and all of the UHC PPO plans. Effective 11/1/11, the 3 leanest regular network HMO plans may be written with all of the Advantage HMO plans now under Multi-Choice. The full network HMO plans included the 40-60/60% HMO, 20-40/70%/1500d HMO, 40-60/70%/2000d HMO. The employer must contribute at least 50% of the employee's premium and minimum participation is 75%. All of the plans in the PremierSource product suite (see above Carrier Wrap Requirements for a list of these plans) are also available to groups enrolling 5 or more employees.</p>
--------------------------------------	--	---	---	---	--



blue of california



Out of State Guidelines:	Groups with more than 49% of their employees employed outside of the state of California may be written on a non-guarantee issue basis and may be declined for coverage. The contract will be written in the state that employs a majority of the employees; if there is no majority, then it can be written from the state that the group is headquartered in. Employees outside of California must be offered and enroll in an MC plan if available in their area. If they are not in an MC state (verified through the PAL tool on Aetna's website), then they will be offered a regular PPO or an indemnity plan (based on availability).	May have no more than 49% of the group employed outside of the California service area. Those employees not in California may be written on a PPO plan and receive the PPO benefits when using BlueCard providers in their area. If a group has employees outside of California, then Blue Shield will also require a copy of their latest, full payroll register in addition to all regular enrollment material.	May have no more than 49% of the group's enrolled and/or eligible employees located outside of California service area and on an out of state PPO product. Those employees not in California may be written on a PPO plan if they are in a PPO service area or on the Flex Net indemnity plan.	Group must be AB1672 qualified and out of state employees only can be covered on a PPO plan with underwriting approval at this time. No more than 20% of the group can be out of state.	Groups with more than 49% of their employees employed outside of the state of California may be written on a non-guarantee issue basis and may be declined for coverage. The contract will be written in the state that employs the majority of the employees; if there is no majority, then it can be written from the state that the group is headquartered in. Overall, no more than 25% of the employees may be located in Vermont or Washington. Group must be written in the state where a majority of the employees are located, or if there is no majority state, then it must be written in the state that the group is head quartered in.
Over-age Dependent Children:	Over-age dependent children can be covered on their parent's plan up to age 26. They may be covered regardless of student status, marital status, residence, employment status or financial dependence on the primary enrollee.	Over-age dependent children can be covered on their parent's plan up to age 26. They may be covered regardless of student status, marital status, residence, employment status or financial dependence on the primary enrollee.	Over-age dependent children can be covered on their parent's plan up to age 26. They may be covered regardless of student status, marital status, residence, employment status or financial dependence on the primary enrollee.	Over-age dependent children can be covered on their parent's plan up to age 26. They may be covered regardless of student status, marital status, residence, employment status or financial dependence on the primary enrollee.	Over-age dependent children can be covered on their parent's plan up to age 26. They may be covered regardless of student status, marital status, residence, employment status or financial dependence on the primary enrollee.



<p>Ownership Documentation Requirements:</p>	<p>For owners and officers not appearing on company DE9C, following additional ownership paperwork required for groups enrolling 2 to 24 employees: (only Proof of Eligibility form needed for group that enrolls 25 to 50 employees) Sole Proprietorship: Proof of Eligibility form, & latest Schedule C (or 1040F), IRS form 1040 SE or IRS form 1040 ES. Fictitious Business Filing, or the filed Business License may also be required. Partnership: Proof of Eligibility form and last filed Schedule K-1 for each partner, IRS form 1040 SE or IRS form 1040 ES. Filed partnership agreement, Fictitious Business Filing, filed Business License or filed Certificate of Organization (for LLP) may also be required. "C" Corporation: Proof of Eligibility form and IRS form 1120 with Schedule E, 1120 A or 1120 W. Filed Fictitious Business Filing, Articles of Incorporation (with officers listed), Statement of Information (with officers listed) may also be required. Certificate of Qualification for foreign domiciled corporation is no longer required as long as group shows active under the California Business Portal. "S" Corporation: Proof of Eligibility form & IRS form 1120 Schedule K-1 or 1040 ES for each officer. Filed Fictitious Business Filing, Articles of Incorporation (with officers listed), Statement of Information (with officers listed) may also be required. Certificate of Qualification for foreign domiciled corporation is no longer required as long as group shows active under the California Business Portal. LLC: Proof of Eligibility form and appropriate tax documents for how they are file their taxes, which will either be a C Corp or an S Corp (see tax documents above for C Corps and S Corps). Filed Fictitious Business Name filing, Articles of Organization with the Operating Agreement (with all members listed), the Statement of Information (with all members listed) may also be required. For groups of 5 or more enrolling, Aetna will accept a group's prior carrier billing statement to determine eligibility of owners/officers not on the quarterly DE9C along with a completed Proof of Eligibility form for each owner. The prior carrier bill must list each insured/employee's name including the names of any owners.</p>	<p>For groups of 6 to 50 lives where owners and officers do not appear on the DE9C, a completed signed Sole Proprietor, Partner, Corporate Officer Statement is required. For groups of 6 to 24 lives, appropriate filed business documents depending on business entity are also required (see below for document requirements) For 2 to 5 life groups or owner only groups, the following is also required: Sole Proprietorship: Sole Proprietor, Partner, Corporate Officer Statement & last Schedule C required with business license or Fictitious Business filing. If Schedule C has not been filed yet due to length of time in business, then proof of income is required with a copy of Business License or a Fictitious Business Filing. Partnerships: Sole Proprietor, Partner, Corporate Officer form and a copy of the most recent Schedule K-1 required for each partner with the partnership agreement, business license or Fictitious Business Filing. If they have not been in business long enough to have filed K-1s, then proof of income and a copy of the partnership agreement or a business license or Fictitious Business Name Filing is required "C" or "S" Corporation: Sole Proprietor, Partner, Corporate Officer form and the last Schedule K-1 (or W2) for each officer and a copy of the stamped Statement of Information or the filed Articles of Incorporation (but only if the names of all officers listed) are required. Foreign corporations also require a Certificate of Qualification or Statement by Foreign Corporation. If the company has not been in business long enough to have filed K-1s, then other proof of income is required in addition to the documents mentioned above. LLC: Sole Proprietor, Partner, Corporate Officer Statement and a recent K-1s (or other proof of income if the K-1s are not filed yet) for each owner and the Statement of Organization with the Operating Agreement are required. For groups of 2 to 50, a DE9C is required on all other employees. For all cases, Blue Shield may request additional documentation for owners not on a DE9C if their eligibility remains in question.</p>	<p>For owners and officers not appearing on company DE9C, following additional ownership paperwork required for groups enrolling 2 to 24 employees: (only Proof of Eligibility Statement needed for group that enrolls 25 to 50 employees) Sole Proprietorship: Last filed Schedule C, Fictitious Business Filing, or a Business license is required. For a husband and wife sole proprietorship, the Schedule C with both spouses listed and the joint filed 1040 tax return (if they have been in business long enough to have filed them) is required along with a Fictitious Business Filing or a Business License with both names listed. Partnership: Schedule K for each eligible partner, or Statement of Partnership Au+D15thority, or filed partnership agreement, or Fictitious Business Name Statement with all partners' names listed, or a Business Tax Certificate with all partners listed may be submitted. For an LLP, the filed Limited Liability Partnership Registration may be used. For a husband and wife partnership, any of the above documents must be provided along with each spouse's filed K-1 if they have been in business long enough to have filed them. "C" Corporation: Form 1120 with the Schedule E for each officer showing their % of ownership, or filed Articles of Incorporation with all officers listed, or stamped Statement of Information Domestic Stock with all officers listed is required. An unstamped copy may be accepted with a print out from the business portal or a copy of the filed Articles if at least one officer listed on the un-stamped Statement of Information is also listed as the Agent for Service of Process. For a foreign corporation, must include the Certificate of Qualification or Statement by Foreign Corporation (applies for a "C" or "S" corporation). "S" Corporation: Schedule K-1 for each owner, or Articles of Incorporation and a stamped copy of Statement of Information for original C Corporation, or form 2553 w/IRS approval. LLC: Schedule K-1 for each owner, or IRS form 1120 with the Schedule E (if all owners are listed with their % ownership), or the filed Articles of Organization including the Operating Agreement, or the stamped Statement of Information listing the names of the members. Note, for all corporations, only the officers of the corporation (not the directors) will be accepted if on the Statement of Information. Directors can only be written if they appear on payroll or a DE9C.</p>	<p>For owners and officers not appearing on company DE9C, Owner/Partner form must be completed and returned with the following additional ownership paperwork for groups of all sizes: Sole Proprietorship: Business license with names of all owners listed, or the Fictitious Business Name Statement with the owners listed, or a copy of the latest Schedule C tax form. Partnership: Business license with the names of all owners listed, or the Fictitious Business Name Statement with all owners listed, or a notarized copy of the partnership agreement, or a copy of each partners Schedule K-1 tax form. "C" Corporation: Articles of Incorporation listing all officers names or the Statement of Information Domestic Stock Corporation listing the names of all officers. "S" Corporation: Articles of Incorporation listing all officers names or the Statement of Information Domestic Stock Corporation listing the names of all officers. LLC: Articles of Organization required with the LLC Statement of Information and the LLC Application for Registration. Husband & wife only groups require one person to be on payroll or a DE9C, unless the group can provide a notarized partnership agreement listing both as partners and most recent tax year Schedule K-1 for each partner or Form 1120 with the Schedule E for a corporation. Tax extensions will not be accepted (must have current tax year's filing).</p>	<p>For owners and officers not appearing on the company DE9C, the following additional information is required for groups of 2 to 5 employees (nothing required for group of 6 or more): Sole Proprietorship: In business under 1 year, business license required with the owner's name listed. In business over 1 year, then the last filed Schedule C is required. If the group is a husband and wife sole proprietorship, then each spouse must provide separate tax documents to prove that they are an owner or a full time employee of the company. Partnership: In business under 1 year, a partnership agreement listing & signed by all partners of the company is required (does not have to be a stamped copy). In business over 1 year, the a K-1 for each partner or a partnership agreement listing and signed by all partners is required. For husband and wife partnerships, then each spouse must provide separate tax documents to prove that they are an owner or full time employee of the company. "C" Corporation: In business under 1 year, the filed/stamped Statement of Information or the Articles of Incorporation listing the names of all enrolling officers. In business over 1 year, IRS Form 1120 (pages 1 and 2) including the Schedule E for each officer enrolling for benefits. "S" Corporation: In business under 1 year, the filed/stamped Statement of Information or the Articles of Incorporation listing the names of all enrolling officers. In business over 1 year, IRS From 1120 Schedule K-1 for each officer enrolling for benefits. LLC: In business under 1 year, an LLC agreement signed by all members (the Articles of Organization with the Operating Agreement signed by all members of the LLC). In business over 1 year, an LLC agreement signed by all members is required or the appropriate tax returns for each member enrolling for coverage. For 2 life husband and wife groups, the only documents accepted will be a DE9C and Schedule C for Sole Proprietors, K-1s for each spouse for a partnership, an 1120 with the Schedule E for each spouse for a C Corporation, separate Schedule K-1s for each spouse for an S Corporation, and the separate appropriate tax document for spouse for an LLC.</p>
---	---	---	---	--	---



blue of california



Participation Guidelines:	For groups with 2 eligible employees, 100% participation is required of those eligible employees not covered elsewhere by another employer group plan. For groups of 3 to 50 eligible employees, 75% participation is required of those employees not covered elsewhere by another group plan. Round down for calculation. For employers with employees located in a Vitalidad service area, the requirements drops to 65% participation as long as at least 1 employee enrolls in a Vitalidad plan.	With SimpleSelect a minimum of 2 employees required to enroll with at least 75% of all eligible employees enrolling in the Blue Shield plans. With SimpleSync, a minimum of 5 employees must enroll with Blue Shield, and if Blue Shield is the only carrier, at least 65% of all eligible employees must enroll in a Blue Shield plan. If SimpleSync is offered with another carrier HMO plan, the minimum participation in the Blue Shield plans must be the greater of 5 employees or 50% of the total number of enrolled employees (65% participation still required overall between the two carriers with SimpleSync).	75% of all eligible employees must enroll (excluding those covered under another employer's group plan) if the employer is contributing from 50% to 100% of the employee premium. If offering just the Hn Options portfolio, then participation requirement is reduced to 60% overall.	If plan is contributory, then a minimum of 70% participation of the eligible employees (excluding valid waivers) is required. If plan is non-contributory, then 100% participation is required (excluding valid waivers).	Stand alone UHC plan, 2 to 15 employees, the minimum participation is 75%. For groups enrolling 16 to 50 employees, the minimum participation is 60%. For groups offering Multi-Choice packages, a minimum of 75% participation required. If the employer contributes 100% of the premium, then 100% of eligible employees must enroll.
Part-Time Employee Enrollment:	Group may request to cover employees working a minimum of 20 hours per week at the time of the initial application for insurance. Otherwise, an eligible employee must work a minimum of 30 hours per week in order to be eligible for coverage. For 2 life group, there must be at least 1 full time employee along with a part time employee in order to write a 2 life group with part time employees.	Group may request to cover employees working a minimum of 20 hours per week at the time of the initial application. If employer elects to cover part time employees, those employees must have worked at least 20 but no more than 29 hours per normal work week for 50% of the working days in the previous calendar quarter. Coverage must also be offered to all similarly situated individuals. Blue Shield may require payroll records to document the hours and required time periods. Blue Shield will write a 2 life group with just 2 part time employees as long as they have worked there for 50% of the prior quarter.	Group may request to cover employees working a minimum of 20 hours per week at the time of the initial application. Employees working 20 - 29 hours per week may be covered as long as the group offers coverage to all similarly situated individuals & they have worked these hours for the employer for at least 50% of the weeks in the previous quarter. Otherwise, an eligible employee must work a minimum of 30 hours per week in order to be eligible for coverage. May be required to payroll records to document hours and required time period. Health Net will write a 2 life group with just 2 part time employees as long as they have worked there for 50% of the prior quarter.	May cover employees who work 20 - 29 hours per week if the employer offers coverage to all similarly situated individuals under the group plan and the employee otherwise meets the definition of an employee except for the number of hours worked per week (defined by AB 1790).	May cover employees who work 20 - 29 hours per week if the employer offers coverage to all similarly situated individuals under the group plan and the employee otherwise meets the definition of an employee except for the number of hours worked per week. For a 2 life group, there must be at least 1 full time employee along with a part time employee in order to write a 2 life group with part time employees.
Rating Areas:	Rates are based on the zip code of the employer's home office.	Rates are based on the zip code of the employer's home office.	Rates are based on the employee's home zip code.	Rates are based on the employee's home zip code.	Rates are based on the zip code of the employer's home office.



blue of california



Spin Off Rules:	Aetna will write groups spinning off from a current Aetna group guarantee issue as long as the spin off company is a newly formed business with the following documents: a letter from the group or broker that states they are spinning off of a current Aetna group (the letter must state the name of the company they are coming from), include the ownership documents of the new group, with two weeks of payroll (or more if available), and regular enrollment material. If the spin off company is not a newly formed business, then coverage will be non-guarantee issue. If the group is not coming from a current Aetna group, then they are treated like a regular start up group, and must provide 6 weeks of W-2 payroll on 2 or more employees/owners for guarantee issue coverage, or they must have been in business with 2 or more employees/owners for 50% of the days in the preceding calendar quarter.	Blue Shield will write a spin off group & guarantee coverage if they are spinning off of an in force Blue Shield group & complete all regular enrollment material (including proper ownership documents). At least 50% of the employees in the spin off group must have been enrolled in Blue Shield through the former business to be considered a spin off. Two weeks of payroll preferred, but may proceed without it & submit it within 30 days (a completed W-4 for each eligible employee will be required though with submission in this case). Coverage is still considered non-guarantee issue & full health statements are required (regardless of case size); RAF restrictions do not apply though in this case, and the RAF may range from .90 to 1.50. If spinning off of a non Blue Shield group, then they will be handled the same as any other start up group and will be considered on a non-guarantee issue basis if they have been in business less than 45 days in the previous calendar quarter.	Health Net will consider a spin off group on a guarantee issue basis if the group can provide a prior carrier bill identifying all employees to be covered (or ID cards for each person), provide a minimum of 2 weeks payroll (if more than 2 weeks available, then provide up to 6 weeks), ownership documents for the new company that was formed, and a letter from the group or broker that the group is a spin off from another group.	Standard underwriting rules that apply for start up groups also apply for spin off groups.	UHC will write a group that is spinning off from a current UHC group as guarantee issue without requiring them to be in business 50% of the prior calendar quarter if they complete the regular enrollment documentation & send a letter from the group verifying the date of the spin off and provide the ownership documents on the new company. If a group is not spinning off from a current UHC group, then UHC will not write them until they can satisfy the regular AB1672 requirement for length of time in business prior to the requested effective date and can provide all other requirements listed above.
Spouse Rules:	Husbands and wives working for the same company may enroll separately as employees or enroll together as an employee/spouse or a family if they have children. If spouses working for the same employer enroll with one electing to be covered as the dependent of the other, Aetna no longer requires that spouse enrolling as a dependent to complete a waiver as an employee.	Husbands and wives working for the same company may enroll separately as employees or enroll together as an employee/spouse or a family if they have children.	Husbands and wives working for the same company may enroll separately as employees or enroll together as an employee/spouse or a family if they have children.	Husbands and wives working for the same company must enroll separately as employees if the total group is comprised of just the two of them. They may enroll together, though, as a family or an employee plus spouse unit as long as there is at least 1 more enrolled employee with the group.	Husbands and wives working for the same company must enroll separately each as employees if the total group is comprised of just the two of them. They may enroll together, though, as a family or an employee plus spouse unit as long as there is at least 1 more enrolled employee with the group.
Standard RAF & Health Statement Guidelines:	2 - 4 lives enrolled = automatic 1.10 RAF (no health statements necessary as long as group qualifies under guarantee issue). 5 - 50 lives enrolled = minimum .90 RAF available with full or abbreviated health statement required depending on group size. 2 to 10 lives, complete full 17 question health statement; 11 to 50 lives, complete short 5 question statement.	2 - 5 lives enrolled = Automatic 1.10, no health statements required, unless group wants to apply for a lower RAF (minimum 1.00) with full health statements. 6 - 9 lives enrolled = eligible for minimum .95 RAF (full health statements required). 10 to 14 lives enrolled = eligible for minimum .90 RAF (full health statements required). 15 + = minimum .90 available with an employer Medical Questionnaire.	2 - 5 lives enrolled = 1.10 automatically (no health statements required this size, unless the group is eligible for and wants to apply for an industry discount) 6 - 9 lives - minimum of .90 available with full health statement required. 10 - 50 lives = minimum .90 available. Employer Health Questionnaire used for groups of 10 or more lives.	2 - 5 lives enrolled = automatic 1.10 RAF (no health statements necessary) 6 + lives enrolled = minimum .90 RAF (for 6 - 24 enrolling employees, full health statement required; for 25 or more enrolling employees, employer level health questionnaire required)	2 lives enrolled = automatic 1.10 RAF (full health statement still required) 3 lives enrolled = minimum 1.00 RAF (full health statements required) 4 lives enrolled = minimum .95 RAF (full health statements required) 5 + lives enrolled = minimum .90 RAF (for 2 - 10 enrolling employees, full health statement required; for 11 or more enrolling employees, only first 6 questions on the health statement must be completed)



Start Up Groups:	Groups that have been in business at least 6 weeks may be written guarantee issue if they can provide the following: appropriate new business documents (see Ownership Documentation Requirements) employer EIN # or federal tax ID #, and 6 weeks of consecutive payroll (or a DE9C if available) on 2 or more employees/owners showing hours worked, wages paid, taxes withheld, and check #s. If the group does not have payroll, they may be written non-guarantee issue with a letter from their CPA listing all employees & owners, # of hours each works, weekly salary amounts, dates of hire and the answers to the following questions: have payroll records been established and when will the first DE9C be filed? The group will not be considered guarantee issue, though, unless they can provide 6 weeks of consecutive payroll on 2 or more employees/owners.	Blue Shield will now consider a start up group for guarantee issue as long as they meet all requirements for AB1672 except for the length of time in business. Must have been in business for at least 6 weeks and be able to provide the full 6 weeks of payroll for the time period preceding the effective date with at least 2 eligible employees on it. Note, individual payroll or pay stubs, estimated payroll and handwritten journals are not acceptable. Group must be a true start up company in order to qualify under this guideline for guarantee issue coverage.	Groups that have been in business less than 50% of the previous calendar quarter may qualify as a start up business for non-guarantee issue coverage with 2 weeks payroll.	Start up companies require a minimum of 6 weeks of payroll and must have been in operation for 45 days for guarantee issue coverage. Additional information may be required.	Start up groups considered as non-guarantee issue (they must meet the requirement for length of time in business under AB1672 in order to be considered guarantee issue). A start up group must meet all other requirements of a small employer except for length of time in business. UHC may defer approval of the group until AB1672 requirement is met.
1099 Workers:	Not Eligible	Not Eligible	Must be affiliated with the group long enough to be tied to the company with a federal tax return and can meet the definition of a full time employee. Must provide one Form 1040 Schedule C tax return and one Form 1099 from the most recent year to support affiliation & full time employment with employer. If multiple sources of income are indicated on the tax return, then the 1099 employee must submit a letter of explanation indicating how many hours they work per week at each employer. Total group size with 1099 employees and regular W-2 employees cannot exceed 50 lives. Also, group must be able to qualify as an AB1672 group without considering the 1099 employees. This means there must be at least 2 non-1099 eligible employees first (either 2 W-2 employees, 2 owners, or 1 owner and 1 W-2 employee), and at least one of those two must enroll for coverage.	Sharp will allow 1099 employees to enroll under the following guidelines: 1099s must appear on prior carrier bill, they may only enroll at initial enrollment or at renewal, they must work 30 hours or more per week on a year round basis for the employer (20 if covering part time), they must have been employed long enough to have filed one tax return with the employer, employer must contribute the same amount for 1099's premium, must offer coverage to all future 1099s, and no more than 25% of group may be compensated on a 1099 basis. The 1099 Employee Verification form must be completed and submitted with a letter from the employer requesting to cover 1099 employees along with a copy of the 1099 employee's Form 1040 Schedule C and Form 1099 Misc. for the prior tax year.	No more than 25% of the enrolled employees may be compensated on a 1099 basis and must work full time, minimum of 30 hours/week, year round for the employer to be insured. The 1099 must work exclusively for this employer and not on a temporary or substitute basis. The employer must agree to offer coverage to all 1099s in the same situation. All eligibility criteria (including employer contribution and wait period) must be uniformly applied to the 1099s and regular taxed employees. UHC must be the sole provider of health coverage to all employees. A signed 1099 Statement of Information form, listing all 1099 employees and stating that the employer agrees to comply with these conditions is required.



Union Carve Outs:	Union vs. non-union carve outs are written subject to the same rules as any other carve out and are non-guarantee issue. Aetna must enroll and maintain a minimum of 8 employees. Eligibility for these carve outs is based on the total number of employees. If the total number, both the union and non-union employees, exceed 50 lives, then Aetna will decline to write the group.	To qualify for guarantee issue coverage, total number of union & non-union employees must be under 50 lives, and the employer must contribute to a labor fund in compliance with a collective bargaining agreement for the union employees. A copy of the union's Statement of ERISA rights from the union trust fund Summary Plan Description and a copy of the collective bargaining agreement showing the employer pays contributions to the trust fund will be required. In this case only, standard underwriting applies, and group does not have to enroll a minimum of 8 employees. If these requirements are not met, then the request for coverage on the non-union employees will be considered on a non-guarantee issues basis and the group will need to meet the requirements of a regular carve out (see carve out section). If the total group size of union and non-union employees is between 51 to 299, the employer can apply for coverage on a non-GI basis to cover the non-union employees. A minimum of 8 employees must enroll, and Blue Shield may be the only carrier. In this case, groups enrolling 15 or more employees with Blue Shield will be rated using the Employer Questionnaire (groups of 2 to 14 will still need to complete a full health statement). The employer must also provide a copy of the collective bargaining agreement showing the employer pays contributions to the trust fund along with Statement of ERISA rights from the union trust fund Summary Plan Description.	If an employer has union & non-union employees and is required by a collective bargaining agreement to directly buy coverage for the union employees, then the union employees are considered as eligible when determining group size & health statements are required to write the non-union portion of the group. In order to write groups with union employees, Health Net must have a letter describing the type of carve out, identify those eligible for coverage, indicate if the non carve out people have other coverage & if they directly purchases coverage for the union employees. For guarantee issue, the total group (union/non-union) must be under 50 lives, offer coverage to non-carve out people & have 50% of group in California. If the company just contributes to a labor fund for the purchase of coverage, then the union employees are not treated as eligible when determining group size and health statements are not required. A letter detailing the carve out situation is still required.	Standard carve out rules apply for union vs. non-union carve out.	UHC will write groups with union employees if they can determine these employees are not eligible for coverage. In order to not be considered as eligible, they must be in a current labor agreement with the union. The entire group size must also be 50 or less employees in order to be considered eligible and coverage is non-guarantee issue. The group must provide a letter stating that they are in a current labor agreement with the union and identify their local number and name of their trust fund along with a reconciled copy of their union billing statement.
Waivers:	Valid waivers include other group sponsored coverage through another employer, Medicare, Medi-Cal and veterans coverage. Cobra and retiree coverage are not considered valid waivers.	Valid waivers include other group sponsored coverage through another employer, Champus/Tricare, Medicare, & no share-of-cost Medi-Cal.	Valid waivers include other group sponsored coverage through another employer, Champus/Tricare, VA, Cobra, Medicare, Medi-Cal & Medicaid.	Valid waivers include other group sponsored coverage through another employer, Medicare, Medi-Cal and veterans coverage. Cobra and retiree coverage are not considered valid waivers.	Valid waivers include other group sponsored coverage through another employer, Champus/Tricare, Medicare, & no share-of-cost Medi-Cal.
THIS IS A SUMMARY ONLY OF SELECT CARRIER GUIDELINES AND IS NOT TO BE RELIED UPON AS A COMPLETE REPRESENTATION OF EACH CARRIERS' UNDERWRITING GUIDELINES OR POLICY CONTRACTS. PLEASE CONSULT ACTUAL CARRIER GUIDELINES OR EVIDENCE OF COVERAGE/CERTIFICATE OF COVERAGE FOR A FULL DESCRIPTION OF UNDERWRITING ROCEDURES AND PLAN PROVISIONS.					