

Small group fully insured rules and requirements

Rules/Requirements

- Guaranteed issue for small group employers.
- ConnectiCare must be offered as the sole carrier.
- A small employer is one that employs an average of at least one but no more than 50 employees on business days during the preceding calendar year and employs at least one employee on the first day of the group health insurance plan year. A sole proprietorship that employs only the sole proprietor or the spouse of such sole proprietor is not included.
- Employees or owners looking for coverage must provide tax forms to show proof of eligibility. Acceptable tax forms include:
 - Employee Quarterly Earnings Report for each state as applicable (e.g. CT Form UC-5A/UC-2). Indicate status next to each employee name (full-time, part-time, waiving coverage, seasonal, terminated). For any new employees not listed on the taxes, please submit copies of two canceled pay stubs as proof of employment.
 - Multiple Owners/Partnership(s): Form 1065 with K-1 for all partners totaling 100% ownership
 - Not-for-Profit Company Exempt from Income Tax Under Section 501(c): Form 990
 - Newly Formed Business: ConnectiCare New Business Certification Statement Form with a copy of Federal EIN Notification Letter or Sales and Use Tax Permit (if applicable)
 - Group that has Filed for Tax Extension: Copy of filed Application for Automatic Extension of Time (Form 4868) along with a copy of prior year's Tax Filing
- Any individual for whom a company issues a W-2 (including full-time, part-time, and seasonal employees) is counted in the calculation of Average Total Number of Employees. Employers should exclude employees who are seasonal workers who worked 120 days or fewer in the preceding calendar year. Certain affiliated employers with common ownership or who are under common control must aggregate their employees for purposes of determining group size. Union and non-union employees, employees who are part of a class of employees that are covered by another carrier, employees who have waived coverage, and employees located in other states are employees for counting purposes.
- A full-time employee is someone employed an average of at least 30 hours per week or 130 hours per month.
- Non-owner employees must show proof of employment and proof of income to be eligible for coverage. Unpaid employees and retirees are not eligible.
- The employer must contribute a minimum of 50% of the single employee rate of the designated base plan toward all plans and all coverage "tiers" (i.e., family coverage). This rule is not enforced for groups enrolling with a January 1 effective date.
- The employer may select up to 5 plan designs.
- Minimum 75% participation after Spousal/Medicare/Medicaid/Parental/and Individual Coverage waivers. Employees waiving coverage for these reasons listed herein should be indicated on the waiver form. This rule is not enforced for groups enrolling with a January 1 effective date.
- COBRA will be administered by the group. Groups must have an active enrolled employee and meet all small group rules and requirements in order to extend continuation under COBRA.
- Groups submitted after the 15th of the month are not guaranteed approval for the requested effective date.
- When asked to issue a single policy covering multiple affiliated groups in multiple states, underwriting will determine if the groups can legally be considered affiliated, if they can be issued a single policy, and which state the policy will be issued in.

Rates:

- Rates are based on the employer's location and the covered employee's and dependent's age, policy type, and benefit plan design.
- A family rate is the sum of the rate for each member (including the employee) age 21 and over and the three oldest dependents age 20 and younger.



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