

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 and 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. Form WR-1, Form 126). 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 on a regular basis.
- 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.
- Employers are required by law to cover employees who work at least 35 hours per week or pay a penalty.
- 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.
- New groups may start coverage on the 1st of a future month.
- Employers may select an employee new hire waiting period of first of the month following: 0, 30 or 60 days.
- HMO plans are only available to employees who live or work in the Connecticut or Massachusetts service area.
- 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 legally be issued a single policy, and which state the policy will be issued in.
- FlexPOS products are not available for Massachusetts-situed groups.

Rates:

- Beginning April 1, 2022, rates will be converted to a 4-tier composite rate format, and will include the following tiers: Employee, Employee+Spouse, Employee+Child(ren), and Family. Monthly premiums are developed with the demographics of your covered employees and will be based on your group's final enrollment and benefit selection. If the population of those you cover changes from the time of quoting to the time of enrollment, rates are subject to change. Once your policy is installed, your rates will remain in effect until your next policy renewal, except for certain reasons.



Coverage is provided by and services are administered as follows: In Massachusetts, Group HMO & POS coverage is underwritten by ConnectiCare of Massachusetts, Inc. CBIA Service Corporation provides certain administrative services to ConnectiCare Insurance Company, Inc. and its affiliates for a fee.

Administrative services and stop loss coverage are provided by ConnectiCare Insurance Co., Inc. A fixed monthly payment covers estimated claims funding amount, stop loss premium, run-out claims, and administrative fees. Contribution, participation and acceptance rules apply. This material is for informational purposes only and is neither an offer of coverage nor an invitation to contract. Plans are subject to limitations and exclusions.