

## Small Group Master Application

Application is made to Premera Blue Cross HMO (hereafter referred to as “we,” “us,” or “our”) for a new healthcare contract, the provisions of which shall be made available to all eligible classes of employees. Your group can't be enrolled prior to our receipt date of this completed and signed application.

**Requested effective date:**

**Group ID:**

(Completed by Premera Blue Cross HMO)

### 1. Group information

Legal name:

Common name or doing business as (DBA) name (required if legal name exceeds 43 characters and spaces)

**A.**

Physical address

City State ZIP County

Mailing address  Same as physical  Separate address, complete the below

**B.** Street or PO Box

City State ZIP County

Billing address  Same as mailing  Same as physical  Separate address, complete the below

**C.** Street or PO Box

City State ZIP County

Group contact person Title

**D.** Phone ( ) -

Email address

Billing contact person Title

**E.** Phone ( ) -

Email address

Do you use a COBRA administrator?  No  Yes, complete the information below  Same as billing address and contact person

COBRA administrator billing address

**F.** City State ZIP County

COBRA administrator contact person Title

Phone ( ) -

Email address

**G.** Employer identification number (EIN) NAICS #

Washington state unified business identifier (UBI)

## 2. Current coverage information

Is this plan intended to replace any existing group coverage?

No, go to next section  Yes, complete this section

Current medical carrier's name:

A. Group number:

Termination date:

## 3. Group eligibility

A small employer is an employer who employed an average of at least 1 but not more than 50 common-law employees on business days during the preceding calendar year and who employs at least 1 common law-employee on the first day of the current plan year.

This count should include all full-time, part-time, seasonal, and union employees who work either inside or outside the State of Washington and employees worldwide from any affiliated company. Include business owners, corporate officers, and partners only if they are common-law employees. The Employee Retirement Income Security Act of 1974 (ERISA) and Internal Revenue Services (IRS) regulations, guidance, and case law defines common law employees. Consult with your legal counsel to ensure your employees are common-law employees under the law. Contracted 1099 individuals should not be included.

In the case of an employer that was not in existence throughout the preceding calendar year, the determination of whether the employer is a small employer will be based on the average number of employees that it's reasonably expected the employer will employ on business days in the current calendar year. Sole proprietors with no common-law employees and self-employed individuals aren't eligible to purchase (or renew) small group plans.

A. The average number of common law employees who were employed during the previous calendar year (January - December) is

B. Is the company's headquarters located in the State of Washington?

Yes  No

If no, there must be a Washington-based employee with signing authority

## 4. Employee eligibility requirements

### A. Minimum work hours and probationary period information

If all your employees must work the same hours, meet the same probationary period, and have the same benefits options available to them, complete the information under the **All** section below. Otherwise, complete the applicable sections. **You can have no more than 3 classes.**

Complete the minimum work hours\* and probationary period information for each designated class of employee. If you have differentiated your benefit coverage selection by class of employee on your Benefit Coverage Selection Worksheet, those same classes must be represented.

\*Employees must work at least 20 hours per week to qualify for healthcare coverage. The group may choose to set the minimum number of work hours per week higher, for employees to be eligible.

<input type="checkbox"/> All (one class)	<input type="checkbox"/> Management	<input type="checkbox"/> Salaried	<input type="checkbox"/> Hourly	<input type="checkbox"/> Part-time	<input type="checkbox"/> Full-time
Minimum hours	Minimum hours	Minimum hours	Minimum hours	Minimum hours	Minimum hours
_____	_____	_____	_____	_____	_____
<input type="checkbox"/> 1 <sup>st</sup> of the month following:	<input type="checkbox"/> 1 <sup>st</sup> of the month following:	<input type="checkbox"/> 1 <sup>st</sup> of the month following:	<input type="checkbox"/> 1 <sup>st</sup> of the month following:	<input type="checkbox"/> 1 <sup>st</sup> of the month following:	<input type="checkbox"/> 1 <sup>st</sup> of the month following:
<input type="checkbox"/> Date of hire	<input type="checkbox"/> Date of hire	<input type="checkbox"/> Date of hire	<input type="checkbox"/> Date of hire	<input type="checkbox"/> Date of hire	<input type="checkbox"/> Date of hire
<input type="checkbox"/> 30 days	<input type="checkbox"/> 30 days	<input type="checkbox"/> 30 days	<input type="checkbox"/> 30 days	<input type="checkbox"/> 30 days	<input type="checkbox"/> 30 days
<input type="checkbox"/> 60 days	<input type="checkbox"/> 60 days	<input type="checkbox"/> 60 days	<input type="checkbox"/> 60 days	<input type="checkbox"/> 60 days	<input type="checkbox"/> 60 days
<input type="checkbox"/> Exact date of hire	<input type="checkbox"/> Exact date of hire	<input type="checkbox"/> Exact date of hire	<input type="checkbox"/> Exact date of hire	<input type="checkbox"/> Exact date of hire	<input type="checkbox"/> Exact date of hire

**B. Waive probationary period**

Do you want to waive the probationary period for all current qualifying employees for this enrollment period?

No  Yes

**5. Employer contribution and eligible employee participation requirements****A. Minimum contribution/Participation requirements**

Group size	Employer contribution for eligible employees	Eligible employee participation	Employer contribution for dependents	Dependent participation
<b>Medical</b>				
Up to 4 employees	100%	100%	50%	No required level
5–50 employees	50%	75%	No required level	No required level
Employer contribution for eligible employees	_____ %			
Employer contribution for dependents	_____ %			

**Please note:** If a group doesn't meet the requirements above, the group may enroll during the designated open enrollment period.

**6. Employee enrollment**

	Medical
<b>A.</b> Total number of employees on payroll (regardless of hours worked) <b>Note:</b> Count each employee in only one category	
<b>B.</b> Total number of employees not eligible to enroll (Number of employees working less than the minimum number of hours required per week, are in a probationary period, are temporary or seasonal, or not in covered class)	
<b>C.</b> Total number of employees eligible to enroll	
<b>D.</b> Total number of employees not enrolling due to coverage under other group coverage or a government plan (Medicare, Medicaid, CHAMPUS/Tricare, or Military)	
<b>E.</b> Eligible employees waiving enrollment without other group coverage (listed above) <b>Note:</b> Individual coverage is not a valid waiver	
Total number of eligible employees enrolling	
<b>F.</b> Please enter participation level as a percentage <b>Note:</b> Participation level is calculated by dividing the total number of employees enrolling (F) by the total number of eligible employees without other group coverage (C–D).	
<b>G.</b> Do you have eligible employees in Hawaii? <b>Note:</b> Employees who reside in the state of Hawaii are not eligible for coverage.	<input type="checkbox"/> No <input type="checkbox"/> Yes

## 7. Federal requirements

**Helpful hint:** We strongly urge you to consult legal counsel in answering the questions below. The summaries below are not intended to be or to replace legal advice on your group. It is the group's responsibility to inform Premera HMO immediately if facts change which would cause the group's answers below to change.

**A. Is the group subject to COBRA?**  Yes  No. Give the legal reason for exemption:

**Helpful hint:** Generally, these laws apply to any non-church employer that employed 20 employees or more employees on at least 50% of its working days in the preceding calendar year.

"Employees" include full-time and part-time common law employees. Self-employed workers as defined in IRC §401(c)(1), corporate directors, or independent contractors should not be counted unless they qualify as common-law employees. "Employees" may also include leased employees who qualify as common-law employees. Please see COBRA requirements at 26 CFR § 54.4980B-2 Q/A 5 for guidance on counting a part-time employee as a fraction of a full-time employee.

**B. Is the group subject to the federal Medicare secondary payer (MSP) laws that prohibit discrimination against individuals with group coverage?**

1.  Yes. This plan will pay primary to Medicare as required by federal law  No. Under 20 employees

Please also provide the number of employees who now meet Medicare's definition of "employee"

2. **Helpful hint:** These laws don't apply to any employer who did not employ 20 employees or more for each working day in each of 20 or more calendar weeks in either the current or preceding calendar year. For these small group plans, Medicare pays primary to the group plan.

"Employees" include all full-time and part-time employees as well as those employees on disability and subject to Federal Insurance Contributions Act (FICA) taxes. Also count leased employees if they would be counted as employees under §414(n)(2) of the Internal Revenue Code (IRC), and count employees employed by an "affiliated service group" under IRC §414(m) or by employers considered to be a "single employer" under IRC §52(a) or (b).

**C. Is the group subject to the federal Medicare secondary payer (MSP) laws that prohibit discrimination against individuals with group coverage based on their (or a family member's) current employment status who have Medicare due to a disability?**

1.  Yes. This plan will pay primary to Medicare as required by federal law  No. Under 100 employees

2. Please also provide the number of employees who now meet Medicare's definition of "employee"

**Helpful hint:** Generally, these laws apply to any employer that employed at least 100 employees on 50% or more of its working days in the preceding calendar year. See question A above for a definition of "employee" for this purpose.

**D. Is the group subject to the Employee Retirement Income Security Act (ERISA)?**

Yes. Enter the month the ERISA plan year ends:

No. Give the legal reason for exemption  Government or Public plan  Church plan

Other, please specify

**Helpful hint:** Generally, ERISA applies to all employer health plans except governmental, public, or church plans. Nonprofit status alone does not exempt an employer from ERISA.

## 8. Group materials

**Important note:** Benefit booklets are delivered electronically and are available online at [premera.com](https://premera.com).

## 9. Producer agreement to contract

You, the producer(s), certify that you have met with the group submitting this agreement and that you have fully explained its contents. You have discussed coverage, eligibility, the effect of misrepresentations, termination provisions, and subscription charge billing administration.

General agency affiliation  Connexion Insurance Solutions  ProPoint, LLC  S4 Benefits

Producer signature \_\_\_\_\_ Date \_\_\_\_\_

Producer of record (print name) \_\_\_\_\_

Email address \_\_\_\_\_ Name of firm/agency \_\_\_\_\_

Effective date producer is appointed for this group \_\_\_\_\_

## 10. Group agreement to contract

You, the group named in the **Group information** section of this application, understand, and agree to the following.

### A. This application becomes part of the contract to provide healthcare coverage after:

- The application is signed by you;
- The application is received and approved by us; and
- We receive the initial month's subscription charges

You may not assign this contract without our written consent. Any attempt to do so will not have any binding effect on us. You agree to promptly deliver materials and notifications, including benefit booklets, received from us to all covered employees. You also agree to provide notification regarding the plan's waiting period and special enrollment rights to all eligible employees before their enrollment. You attest to have read this application and certify that all statements are true and complete.

You agree to the terms and obligations stated in this application. It is understood that provisions of the healthcare contract, including subscription charges, may be amended, or changed from time to time, upon our notice to you. All prior applications, to the extent that you have not made changes to them in this application, remain in full force and effect. The complete application consists of this document and the completed Group Master Application Benefit Selections form.

The producer listed in the **Producer agreement to contract** section will remain effective until written notice is given by either party. We are authorized to pay, on your behalf, commission, if any for which you are liable to the above-named producer.

### B. You may elect to allow the producer listed above to act as a group benefit administrator beginning on the group's effective date. This means that the producer/administrator will be able to access membership and billing functions and obtain information about group members via the web on behalf of the group.

#### These functions include, but are not limited to:

- Reinstate terminated members
- Request invoice
- Search for a member
- View benefit detail
- Inquire on invoice
- Inquire on eligibility
- Enroll a member
- Order ID cards for an individual or whole family
- View group demographic information
- Cancel a member

Do you elect to allow Premera Blue Cross HMO to provide such information described above to the producer?  No  Yes

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- C.** A small employer is an employer who employed an average of at least 1 but not more than 50 common-law employees on business days during the preceding calendar year and who employs at least 1 common-law employee on their first day of the current plan year.

In the case of an employer that was not in existence throughout the preceding calendar year, the determination of whether the employer is a small employer be based on the average number of employees that it is reasonably expected the employer will employ on business days in the current calendar year.

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- D.** New groups, with a plan effective date in the middle of their plan year, can request the cost-sharing (such as deductible, coinsurance, and copay) amounts accrued prior to the plan effective date be credited to their new plan.

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- E.** I affirm the contribution and participant requirements in **Employer Contribution and Eligible Employee Participation Requirements** are followed. (Applicable to groups renewing outside open enrollment).

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- F.** I affirm that this group has a physical location in the State of Washington, and I am authorized to sign on behalf of the group.

Signature of group's representative

Date

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Group representative (print name)

Title

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**Please note:** It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.