



Account Number:  
 PPO:  
 Renewal Month:  
 CFO:

### Employer Verification Form RESPONSE REQUIRED

We need your help to comply with laws that may apply to us and your plan - for example, state small group laws and also federal laws like COBRA, Medicare Secondary Payer, etc. Whether a law applies to your group may depend on how many people you employ full time, how many you employ in total or how many people are enrolled in your group plan - and when. We also ask for some of this information so that we may charge an appropriate premium for your group.

#### PART I - CURRENT EMPLOYEE CENSUS

**Employee Breakdown by State** - Please tell us how many employees, including any owners and partners you have, by state, in each category below:

Business Location State	Business Location Zip Code	Full-Time Employees	Part-Time Employees	Union	1099	Seasonal Employees	Retirees	Individuals on State Continuation or COBRA	Total
<b>Grand Total:</b>									

How does your company define the minimum number of hours worked per week to qualify as a Full-Time employee? \_\_\_\_\_  
 Please indicate in which state your company is headquartered. \_\_\_\_\_

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**Medical Coverage Summary** - For all the people adding up to the "Grand Total" figure you reported above, please classify them into the following categories:

Eligible* Employees Enrolled in an Aetna Medical Benefits Plan	Eligible* Employees Enrolled in another Carrier's Medical Benefits Plan	Eligible* Employees Waiving Medical Benefits Coverage for Spouse/ Partner's Medical Benefits Plan	Eligible* Employees Waiving Medical Benefits Coverage for any other Creditable Coverage Reason	Eligible* Employees Waiving Medical Benefits Coverage for any reason OTHER than Creditable Coverage (do not want coverage, cannot afford coverage, etc.)	All Other Employees NOT Eligible* for Medical Benefits Coverage (including retirees, State Continuation & COBRA Enrollees)	Grand Total

Retirees - please list by name any retirees currently covered under your medical plan.

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**PART II - EMPLOYER INFORMATION**

**1. Full-time Equivalents (FTEs) for the Prior Calendar Year**

For the purpose of certification as a small employer, the counting methodology set forth in § 4980H(c)(2) of the Internal Revenue Code is used to determine whether an employer is a small employer. For more details go to [http://www.irs.gov/irb/2014-9\\_IRB/ar05.html](http://www.irs.gov/irb/2014-9_IRB/ar05.html)

Note: The Prior Calendar Year is the calendar year prior to the Renewal Date. If the prior calendar year of your renewal date is not yet complete, you can use estimates for the remaining months of the calendar year.

**How to calculate**

- a. Full-time employees must have worked **on average 30 or more hours** per week (or 130 hours per month) for more than 120 days per year are counted as one full-time employee. This amount is added to the number of part-time employees as counted in letter b. Include:
  - All full-time employees of a group if the business is affiliated with another employer, under common ownership, or a part of a controlled group
  - Employees under a common group in other states
  - Union employees
- b. Part-time employees who worked on average less than 30 hours per week are counted by taking the hours worked by all part-time employees in a week and dividing that amount by 30.

This does not provide legal guidance and should not be relied upon for an employer's determination of whether they are subject to the Shared Responsibility provisions. If you have questions, you should consult with your accountant or legal counsel.

Please complete the following:

A. FTEs from full-time employees Number of full-time employees working on average 30 hours or more per week (or 130 hours per month) for more than 120 days per year (even if they are neither eligible nor enrolling for health coverage).	
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ENCLOSURE

<p><b>B. FTEs from part-time employees</b>                  Number of part-time employees who worked on average less than 30 hours per week                  (Add up the total number of hours worked in a week by part time employees and divide by 30).                  Example: 10 employees working 20 hours per week: <math>10 \times 20 = 200 \div 30 = 6.66 = 6</math> (rounding down to the nearest whole number)</p>	
<p><b>C. Number of seasonal workers who worked 120 or fewer days.</b>                  If the seasonal count puts you over 100, you do not have to include them in your total count below.</p>	
<p><b>D. Total number of FTEs = A + B. Only include C if your total with C is fewer than 50.</b></p>	

**2. Medicare Primary versus Secondary**

<p>How many full-time and part-time employees have you employed for at least 20 or more weeks during the current or prior calendar year?  <i>Include: Full-time, Part-time, Seasonal, Temporary, Union, Owners, Partners, Officers</i>  <i>Exclude: Self-employed persons, Independent contractors (1099), Directors</i></p>	
<p>If you employed fewer than 20 employees for 20 weeks in the current or prior year, your group is Medicare Primary.                  If you employed 20 or more employees for 20 weeks in the current or prior year, your group is Medicare Secondary.</p>	

**3. COBRA**

<p>How many full and part-time employees did you employ for 50% of the business days in the prior calendar year?  <i>Include: Full-time, Part-time, Seasonal, Temporary, Union, Owners, Partners, Officers</i>  <i>Exclude: Self-employed persons, Independent contractors (1099), Directors</i>                  Each part-time employee counts as a fraction of an employee, with the fraction equal to the number of hours that the part-time employee worked divided by the hours an employee must work to be considered full-time.</p>	
<p>Is your employer group required to comply with COBRA?                   Employers with 20 or more employees, both full and part time, are usually required to offer COBRA coverage.                   Employers including those with fewer than 20 full-time and part-time employees usually are required to offer state continuation (if applicable).</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

- 4. Is there at least one enrolled W-2 employee who is not the owner and not the owner's spouse?**  Yes  No
- a. Is your group a LLC?  Yes  No
- b. If yes, check which form you file:  K-1 Form 1065 or  K-1 1120.

**5. Total Average Number of Employees - Used for ACA Medical Loss Ratio (MLR) Purposes**

Do not leave blank. To calculate total average number of employees, determine the number of employees for each month, add each month's number to get an annual total, and then divide by 12. Round up or down to the nearest whole number - example:  $24.6 = 25$ . Do not spell out the number - example: write 3, not three.

<p>What is the average number of employees you employed for the entire previous calendar year regardless of whether or not they were eligible for coverage? For MLR purposes, the law defines the number of employees as "the average number of employees employed by the employer's company during the preceding calendar year." [Note: The preceding calendar year is the full calendar year prior to the policy renewal date. For example, if a policy renewal date is in June 2017, the employer would report TAE based on the months from January through December of 2016, the prior calendar year. If the employer's prior calendar year is not yet complete (for example, because the policy renewal date is in January 2017, and the employer is completing the form in the middle of 2016), the employer can use estimates for the remaining months of 2016.] The law defines an employee as any person for whom the company issues a W-2, including full time, part-time, temporary, seasonal workers, salaried, and hourly, regardless of insurance eligibility.                  The determination of how to count employees of related corporate entities when calculating group size for MLR purposes is based on whether the entities are considered a single employer under Section 414 of the Internal Revenue Code (subsection (b), (c), (m), or (o)) - and is <u>not</u> based on the multiple tax ID status of the related entities.</p>	
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### 6. Professional Employer Organization (PEO)

Do you use the services of a Payroll Company?	<input type="checkbox"/> Yes <input type="checkbox"/> No
- If "Yes," provide the name of the payroll company:	
Are you currently a client company of a Professional Employer Organization (PEO)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
- Provide the name of the PEO:	
- Is group coverage available to you as a client of a PEO?	<input type="checkbox"/> Yes <input type="checkbox"/> No

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**PART III - SIGNATURE**

By signing below, I represent to Aetna that the above information is accurate to the best of my knowledge and belief, and I understand that:

- Aetna is relying on what I have stated above;
- Aetna may raise premiums if anything stated above is materially incorrect;
- It is unlawful to defraud an insurer;
- If I have knowingly misrepresented anything above, Aetna may have the right to rescind or cancel my company's insurance; and
- Subject to state and federal law restrictions, Aetna may have the right not to renew coverage if my company does not meet Aetna's contribution and participation requirements as stated in my application/contract.

Signature of Owner/Officer or Authorized Representative of the Company:		Telephone Number:
Print Name:	Date Signed:	Tax Identification Number (TIN):
E-mail Address:		

\* Please note, the minimum # of hours to be eligible for Small Group medical coverage by Contract state:

No minimum: AZ - the employer sets the hours

20 hours: NY, WA

24 hours: OK

25 hours: CO, GA, IL, KY, LA, NJ, PA, WV

25 hours: FL: An employer may not set eligibility rules that would require an employee to work more than 25 hours a week to obtain small group coverage. As long as the employee works the 25 hour per week they are considered full-time for purposes of coverage.

30 hours: AR, DC, DE, IA, IN, NE, NV, NC, ND, OH, SC, SD, TX, UT, VA, WI, WY

30 hours: AK, CA, CT, ID, MT: The employer may also choose to offer coverage to employees who work at least 20 hours.

30 hours: KS, MO: Number of hours per week to be eligible for coverage (can be 25 to 30 hours). An employer may not set eligibility rules that would require an employee to work more than 30 hours a week to obtain small group coverage. Any employee who routinely works 30 hours per week is eligible for purposes of coverage.

30 hours: ME: Employer may elect to treat as eligible employees part-time employees who work a normal work week of 10 hours or more as long as at least one employee works a normal work week of 30 hours or more.

30 hours: MD, MI: At the option of the small employer, the term may include only full-time employees or full-time employees and part-time employees. Full-time is defined as an employee working at least 30 hours a week and part-time is defined as a normal workweek of at least 17.5 hours and is not a full-time employee.

30 hours: TN: Employer may cover employees who work full time, 25 hours or more; however, to determine if Small Group Reform applies, 30 hours is used to determine if the group meets the definition of a small employer.

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