

Association Reference Guide

Small Group

For all small **groups** (with two or more full time employees) within an association HIP will need the following documentation to confirm that the group qualifies for coverage upon initial application and at renewal which are also outlined in the two checklists attached to this Guide, the New Business Group Checklist and the Enrollment Checklist.

- The most recent filed NYS 45 form listing all active employees and their status (e.g., Fulltime or Part-time). The documentation must include the tax ID of the Group and the names of all eligible employees, i.e., each current or future subscriber. Further the form must indicate whether the employee is working fulltime and their status with respect to health coverage such as whether they are waiving coverage, enrolling or excluded for cause.
- For employees not listed on the NYS 45, Group shall submit a copy of the payroll check stub reflecting the Group's name as well as the employees name and social security number. In addition, a W-4 form is required for new employees.
- Confirmation from all eligible group employees or members who do not accept group coverage that they have declined coverage using the Verification by Eligible Individual Not Accepting Group Coverage form annexed hereto.

Fulltime and Part-Time Employees are Eligible: All subscribers (including the owner) must be working for the group through which they receive coverage for no less than 20 hours a week. Employees who work between 20, but less than 35 hours per week, are Part-Time Employees and those that work 35 or more hours per week are Full-Time Employees. Both Part-Time and Full-Time employees are eligible for coverage. If the employer, however, requires that an employee work more than 20 hours per week in order to be eligible for coverage, HIP will redefine the eligibility for that group to take into account the stated number of hours that the group requires.

Sole Proprietors

For a sole proprietor to be eligible for small group coverage through an association, he or she will need to be a member of the association for at least sixty days prior to the effective date of coverage and produce the following documentation before initial enrollment and before each renewal.

- For a sole proprietor business in operation for more than 1 year:
 - The prior year's federal income tax Schedule C for an incorporated business subject to Subchapter S with a sole employee or;
 - Federal income tax Schedule E for other incorporated business with a sole employee; or
 - W-2 annual wage statement or federal tax form 1099 with schedule F; or

- Schedule K or K1, IRS Form 1120 or 1120S.
- For a sole proprietor business in operation less than 1 year and the above cannot be supplied then the following will be accepted:
 - A cancelled business check with the business name and address printed on the check; or
 - A copy of the business bank statement; or
 - A certificate of doing business or other appropriate tax documentation including a letter from a certified public accountant and a business certificate.
- Other requirements:
 - To qualify, sole proprietors are required to demonstrate that they work at least twenty (20) hours a week.
 - Each sole proprietor should fill out and sign the association form annexed hereto.

For a summary of the tax documentation required, see the Quick Reference Required Tax Documentation annexed to this Guide.

Group Administration

- Association groups will only receive the 1st of the month for an effective date.
- The four-tier coverage structure (Individual, Individual and spouse, Individual with children and family) is the only rating structure allowed for all (new and existing) small business.
- HIP's small group book of business will be limited to plan changes once per contract year on the renewal date. Notification will be required from the small group association 30 days prior to the effective date (Renewal Date). Underwriting will not approve any retroactive plan changes or terminations.
- All renewal date changes will be handled on an exception basis and the change form must be accompanied by a detailed written explanation as to why a group is requiring the change.
- If the group has been terminated within the prior 12 months due to non-payment of premiums to HIP, HIP will not issue the group a new contract unless all prior premiums have been paid.

New Enrollees for Existing Small Business

If an enrollment form received by HIP's Enrollment Department has a receipt date of more than 30 days after the proposed enrollment date on the form, the enrollee will be enrolled as of the first day of the current month. The retroactive enrollment period will never exceed 30 days. If the receipt date is within 30 days of the requested enrollment date, then the requested date will be processed.

No retroactive terminations will be allowed for any Small Group Business or Association small groups or sole proprietors.

Where an eligible employee or member or dependent or spouse of such employee or member rejects initial enrollment in a group policy issued by HIP that employee must enroll at the next renewal date, such limitation on enrollment shall not apply to such employee, member, dependent or spouse if:

- A. the individual was covered under another plan or policy at the time the individual was initially eligible to enroll and has lost coverage under the other plan or policy as a result of exhaustion of the period of continuation under State or Federal law or the loss of eligibility was related to one or more of the reasons following reasons: (a) termination of employment; (b) termination of the other plan or contract; (c) death of the spouse; (d) legal separation, divorce or annulment; (e) reduction in the number of hours of employment; or (iii) Contract holder contributions toward the payment of premium for the other plan or contract were terminated. Coverage must be applied for within thirty days of termination for one of the reasons set forth in this subparagraph.
- B. a court has ordered coverage be provided for a spouse or minor children under a covered employee or member's health benefit plan and the request for enrollment is made within 30 days after issuance of the court order; or
- C. any Federal or State law requires that coverage be provided under the policy without regard to the enrollment period specified in the policy, provided the individual applies for enrollment within 30 days after the occurrence of the event triggering the right to enroll or within any time period specified in the law requiring the coverage, whichever is longer.



VERIFICATION BY ELIGIBLE INDIVIDUAL NOT ACCEPTING GROUP COVERAGE

Group Policy Number: _____ Number of Employer: _____

Employee's Name: _____ Social Security No.: _____
(Last, First, MI)

Marital Status: Single Married Divorced Widower

Number of Eligible Dependent Children: _____

I was given the opportunity to enroll in a group insurance plan offered by my employer and insured by Health Insurance Plan of Greater New York (HIP) and/or HIP Insurance Company of New York (HIPIC). I am refusing the following type of coverage I may be eligible to receive:

(Note: Benefits provided on a noncontributory basis cannot be refused.)

- Individual
- Employee & Dependents
- Spouse
- Child(ren)

ANSWER IF YOU ARE REFUSING ANY COVERAGE:

Are you or your dependents now covered by any other group plan? Yes No

If yes:

Policyholder's Name: _____ Carrier: _____

Signature of Employee _____ Date _____

Signature of Witness _____ Date _____



NEW BUSINESS GROUP CHECKLIST

The account indicated below qualifies for insurance based on the following classification:

Sole Proprietor covered under an approved association

Small business, because the group's membership includes TWO (2) TO FIFTY (50) eligible employees.

Large business, because the group's membership includes 51 plus eligible employees.

Group Name _____

Completed by: Broker signature _____ Date _____

CONTRIBUTIONS: Will group contribute toward the cost of the coverage? Yes No

If "YES", will the small group employer contribute toward the cost of:

Subscriber Only	Percentage _____	Dollar amount _____
Subscriber and Spouse	Percentage _____	Dollar amount _____
Subscriber and Children	Percentage _____	Dollar amount _____
Family	Percentage _____	Dollar amount _____

A. ELIGIBLE MEMBERS: (Check ALL Boxes that apply to this group)

Owners of the group/corporate officers/partners (must be working at the group for a minimum of 20 hours per week)

Members of the board of directors.

Employees on the group's payroll whose regular work schedule is at least 20 hrs per week.(if more than 20 employees, include active employees over 65 and spouse over 65).

Commissioned employees (e.g., 1099 IRS form) with a base salary and commission.

Eligible dependents of the group employees.

Retirees & their spouses if the employer pays part or all premium as a retirement benefit.

Former employee/dependents (COBRA continuation of coverage).

Eligible union members (members must be employed by the same employer).

B WHO MUST BE EXCLUDED FROM GROUP; (Check ALL BOXES that apply to this group)

Part-time employees who work less than 20 hours a week.

Seasonal Employees whose employment is six months or less each year.

Temporary Employees. HIP does not cover temporary workers.

Employees who do not "work or reside" in the HIP service area.

Employees in the armed forces of any government other than for duty of 30 days or less.

HIP does not cover Dependent members of an enrolling subscriber's extended family members. For example, babysitters, chauffeurs, mothers (in-law), fathers (in-law), aunts, uncles, nieces, nephews, cousins, maids, grandparents,
HIP does not cover Domestic partners for small groups (only exception are the group's that had domestic partners coverage with HIP prior to exclusion rule and were grandfathered)

C. TYPES OF ORGANIZATIONS: (Check ONE box that applies to this group)

- Sole proprietorship
- Employee/Employer Group
- Government body (state, county, or municipal).
- Trade Association
- Labor Union and Employer Trust
- Professional Association
- Chamber of Commerce Association
- Credit or Bank Association
- Special Associations Approved by the Department of Insurance
- OTHER (Describe) _____

D. DOCUMENTS THAT MUST BE SUBMITTED TO ENROLL IN GROUP

Completed GROUP APPLICATION

1. Employee(s) ENROLLMENT APPLICATION(S) (Employer must sign bottom of form and complete back page as appropriate).
2. **Requested EFFECTIVE DATE MUST be the FIRST or the 15th of the month.)**
3. Waiver Forms (For Groups of 2-50 employees).
(for employees with other coverage or who refuse coverage).
4. Copy of the NYS-45 form that indicates NYS Tax ID.
5. Business check for first month's premium for both large & small business.

E. SOLE PROPRIETOR REQUIREMENTS

- The sole proprietor business when administered through an approved business association under Section II of the Underwriting Guidelines (**Community-Rated Business Small Group, and Association Business, Including Sole Proprietors**) must comply with special underwriting procedures. Each sole proprietor within the whole must be evaluated for eligibility. In order to do this the State of New York has outlined criteria in their circular letter # 27 dated December 18, 2002 as supplemented March 31, 2003. The following requirements are in accordance with that letter:

For a Sole proprietor business in operation for more than 1 year

- The prior year's federal income tax Schedule C for an incorporated business subject to Subchapter S with a sole employee or;
- Federal income tax Schedule E for other incorporated business with a sole employee; or

- W-2 annual wage statement or federal tax form 1099 with schedule F; or
- Schedule K or K1, IRS Form 1120 or 1120S.

For a Sole proprietor business in operation less than 1 year

- A cancelled business check
- A copy of the business bank statement
- A certificate of doing business or other appropriate tax documentation which may include a letter from a certified public accountant describing the financial status of the business.
- Schedule K or K1, IRS Form 1120 or 1120S.

F. ADDITIONAL REQUIRED DOCUMENTS FOR ALL SMALL GROUP S AND SOLE PROPRIETORS

- For any employee NOT LISTED on the NYS-45, submit a copy of the payroll check showing the company's name and the employee name and SS# and a W-4.
- College/University STUDENT VERIFICATION of active full time status (minimum of 12 credits).
- Owners/Partners of the business NOT reflected on the NYS-45, submit a copy of any other official document substantiating the name of the owners/partners and the company's name as well as their full time working status.
- MEMBERS OF THE BOARD OF DIRECTORS: submit a copy of the annual report indicating the names of the directors.
- COBRA Continuees:
 - Copy of the company's last NYS-45 which includes the former employee.
 - Copy of the individual's COBRA election form. In the absence of the election form, a letter from the former employee/dependent requesting continuation of coverage and the date of the qualifying even may be submitted.

For all Small Group and Sole proprietors in operation less than 1 year

- A cancelled business check
- A copy of the business bank statement
- A certificate of doing business or other appropriate tax documentation which may include a letter from a certified public accountant describing the financial status of the business.

G. SMALL GROUP ONLY PRE-EXISTING CONDITIONS INFORMATION

For new business: Copy of the premium billing statement (or statements if more than one insurance carrier provided coverage) from 12 months preceding the effective date of HIP coverage. For any employee NOT LISTED on that bill a "Certificate of Credible Coverage" must be submitted verifying their previous health insurance.

FOR SECURITY REASONS PLEASE MAKE ALL CHECKS PAYABLE TO:

HIP HEALTH PLAN OF NEW YORK (NOT “HIP”)

MARKETING REP’S NAME _____
(Please print)

BROKER’S NAME _____
(Please print)

IMPORTANT DEADLINES

Any groups received from the **1st** to the **15th** of the current month can be processed with an effective date of either the **1st** or the **15th** of the **current** month.

All groups received on the **16th** through the end of the current month can be processed **ONLY** for an effective date of the **1st** of the **following** month.

Other dates will **ONLY** be considered if HIP is taking over coverage from another plan.



**ENROLLMENT CHECKLIST
FOR ADDITION OF MEMBERSHIP TO AN EXISTING GROUP**

NAME OF NEW MEMBER _____

SUBSCRIBER NUMBER _____

NAME OF GROUP _____

GROUP NUMBER _____

No retro enrollments allowed. All members must be enrolled within 30 days of being eligible.

Indicate below ONE classification for group

SOLE PROPRIETORSHIP

Adding a newly eligible **dependent** to an enrolled sole proprietor should be the **only** situation for these associations. If an application is received to add an additional subscriber please forward that request to the Underwriting department for their review.

To add a new dependent HIP needs a copy of the appropriate documents pertaining to the qualifying event:

- Marriage certificate
- Birth certificate or formal adoption papers
- Court approved guardianship papers
- Loss of Coverage - HIP will need the continuation of coverage form.

ASSOCIATION OF 2 OR MORE EMPLOYEES OR MULTI EMPLOYER WELFARE ARRANGEMENT (MEWAs)

To add a new **dependent** HIP needs a copy of the appropriate documents pertaining to the qualifying event:

- Marriage certificate

- Birth certificate or formal adoption papers
- Court approved guardianship papers
- Loss of Coverage - HIP will need the continuation of coverage form.

To add an **employee** HIP would need the following documentation:

- If newly hired subscriber you will need a recent copy of the NYS-45 reflecting this subscriber as an employee
OR
- Copy of a payroll check stub reflecting the date, employee's name, and social security number.
AND
- The employee's current W-4 form should be submitted.

▪ **[] SMALL GROUPS LESS THAN 51 EMPLOYEES**

To enroll a newly hired employees

- you will need a recent copy of the NYS-45 reflecting this subscriber as an employee
OR
- Copy of a payroll check stub reflecting the date, employee's name, and social security number.
AND
- The employee current W-4 form should be submitted.

ENROLLMENT APPLICATION(S) with PRE-EXISTING CLAUSE:

(Employer must sign bottom of form).

“Certificate of Credible Coverage” must be submitted verifying their previous health insurance.

To enroll Owners/Partners of the business **NOT** reflected on the NYS-45

You will need a copy of any other official document substantiating the name of the owners/partners and the company's name.

You will also need verification that the owner actually works full time for the business.


HEALTH PLAN OF NEW YORK
Association Form

Employer Name: _____

Address: _____

Tel: _____

Fax: _____

Requested effective date for coverage: _____

Date group joined the association: _____

Type of Business _____

Total number of employees actively working 20 hours or more: _____

New Employee Waiting Period:

30 days 60 days 90 days Other _____ Date of Hire: _____

New Enrollment

Existing Member Association Group # _____

Plan Applied For:

Prime HMO Prime POS

I certify that to the best of my knowledge the information in this form and the enclosed documentation is true, accurate and complete. Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Print Name/Title: _____

Employer Signature: _____

Member ID # _____

Date: _____

*The following documents **must** be submitted to HIP*

- ✓ Association Form
- ✓ Tax documentation
- ✓ Waiver Form (Small Group Only)
- ✓ Small Group/Sole Proprietor Checklist
- ✓ Enrollment Application (s) for any new membership
- ✓ Proof of Association membership



Quick Reference Required Tax Documentation

Sole Proprietors in operation more than 12 months

- The prior year's federal income tax Schedule C for an incorporated business subject to Subchapter S with a sole employee or;
- Federal income tax Schedule E for other incorporated business with a sole employee; or
- W-2 annual wage statement or federal tax form 1099 with schedule F; or
- Schedule K or K1, IRS Form 1120 or 1120S.

Sole Proprietors in operation less than 12 months

- A cancelled business check
- A copy of the business bank statement
- A certificate of doing business or other appropriate tax documentation which may include a letter from a certified public accountant describing the financial status of the business.
- Schedule K or K1, IRS Form 1120 or 1120S.

For all Small Groups in operation more than 12 months

- The most recent copy of the NYS45 form or other comparable documentation of the active employee's status. The documentation must include the NYS tax ID and the current (or future) subscriber must be indicated on the form as a full time employee.

For all Small Groups in operation less than 12 months

- A cancelled business check
- A copy of the business bank statement
- A certificate of doing business or other appropriate tax documentation which may include a letter from a certified public accountant describing the financial status of the business.

Note: Sole proprietors and Small groups must be member of the association for at least sixty days prior to the effective date of coverage.