



Underwriting Guidelines For Groups with 2 to 50 Eligible Employees New York (Effective as of 1/1/04)

Carve Outs/Excluded Class

- Union employees, as a class, may be excluded by an employer, as not being eligible for coverage.
- Coverage of management employees only is not permitted.

Census Data

- Census data must be provided on all eligible (and COBRA/State Continuation eligible) employees and must include name, age/date of birth, and date of hire, gender, dependent status, and residence zip code.
- Retirees are not eligible.

COBRA/State Continuation Eligible

- COBRA/State Continuation eligible should be included on the census.
- COBRA/State Continuation qualifying event date is required at time of enrollment.
- Employers with 20 or more employees full & part-time are required to offer COBRA Coverage.
- Employers with less than 20 employees full & part-time are required to offer State Continuation.

Cut Off Dates

- Groups with 2 to 50 eligible must have all **completed** paperwork into Aetna Underwriting 1 business day prior to the requested effective date. If not received by this date, the effective date will be moved to the next available effective date.

Dependent Eligibility

- Eligible dependents include an employee's spouse and unmarried children up to the limiting age of the plan (ages 19-23 – if fulltime student).
- Domestic Partners are not considered eligible dependents.
- Individuals cannot be covered as an employee and dependent under the same plan, children eligible for coverage through both parents cannot be covered by both under the same plan.
- Dependents must enroll in same benefit options as the employee.

Dual Product Option

Minimum of 10 enrolled in any Aetna Product with 75% participation after spousal or Medicare waivers for all combinations of products.

- HMO/QPOS –
 - HMO Option 4 alongside any QPOS Option
 - HMO Option 2 or 3 alongside QPOS 1, 2, 3 or 4
- MC/HMO - Minimum of 10 enrolled with 75% participation excluding waivers (spousal or Medicare).
- MC/MC - Minimum of 10 enrolled and 75% participation excluding waivers. (spousal or Medicare)
- Aetna HMO / Another Carrier - Must offer HMO
- Aetna MC / Another Carrier - Minimum of 60% participation in Aetna excluding waivers (spousal or Medicare)

Effective Date

- The effective date will be the 1st or the 15th of the month.
- The effective date requested by the employer may be up to 60 days in advance.

Employer Contributions

- Contracts issued for HMO/QPOS products:
 - We strongly recommend for groups with less than 10 eligible lives, that the employer contribute 100% of the employee only cost or 50% of the total cost of the plan.

This document is meant to be informative, and is not intended to be inclusive. Other policies and guidelines may apply.

Note: State and Federal Legislation/Regulations, including Small Group Reform and HIPAA, take precedence over any and all Underwriting Rules. Exceptions to Underwriting Rules require approval of Head Regional Underwriter except where Chief Underwriter approval is indicated.

This information is the property of Aetna and its affiliates (“Aetna”), and may only be used or transmitted with respect to Aetna products and procedures, as specifically authorized by Aetna, in writing.



Underwriting Guidelines For Groups with 2 to 50 Eligible Employees New York (Effective as of 1/1/04)

- We strongly recommend for groups with 10 to 50 eligible lives, that the employer contribute at least 50% of employee only cost or 50% of the total cost of the plan.
- Coverage can be denied if the employer contributes less than 10% of an employee's annual premium
- Contracts issued on our ALIC (Managed Choice Products/PPO) license:
 - For Groups with < 10 eligible lives – Employer must contribute 100% of employee only cost or 50% of total cost of the plan
 - For Groups with > 10 eligible lives – Employer must contribute 75% of employee only cost or 50% of total cost of the plan

Employee Eligibility

- Eligible employees are those employees who are permanent and work on a full-time basis with a normal workweek of at least 20 hours, and who have met any authorized waiting period requirements.
- If an employee and dependent work for the same company, and elect to enroll as employee and dependent, applicable documentation to determine dependent's actual employee eligibility status must be provided as any other employee of the group (i.e. NYS45, Partnerships documentation, etc.).
- Coverage must be extended to all employees meeting the above conditions, unless they belong to a union class excluded as the result of a collective bargaining arrangement.
- Employees who do not meet the definition of a permanent full-time employee will not be eligible, (e.g. Leased, part-time, temporary, seasonal or substitute employees)
- NY Small Group reform excludes union employees who are covered by a collective bargaining agreement.

Employer Eligibility

- Medical plans can be offered to sole proprietorships with two or more employees, partnerships or corporations.
- Organizations must not be formed solely for the purpose of obtaining health coverage.
- Associations, Taft Hartley groups, Professional Employers Organizations (PEO)/employee leasing firms must be written individually and are not eligible to be combined for purposes of obtaining health coverage. A copy of the certificate of fictitious name should be provided.
- Submission of the most recent NYS-45 and Employer Verification Form, which must contain the names, salaries, etc. of all employees of the employer group.
 - If there are employees who have the same last name, provide a W-2 for each employee.
 - Employees who have terminated or work part-time should be noted accordingly on the NYS45.
 - Employees not listed on the NYS45 should have a W4 and payroll stub indicating with-holdings
 - If employee is sole proprietor, partner or corporate office, the Proof of Eligibility form must be completed and submitted with the following:

If Sole Proprietor not on NYS-45 submit:	If Partner not on NYS-45, submit:	If Corporate Office not on NYS-45, submit:
<ul style="list-style-type: none"> ● State Business License reflecting SIC ● Assumed Name Certificate (Fictitious Business Name or DBA) AND ● Certificate of Organization (for LLC or LLP) 	<ul style="list-style-type: none"> ● Partnership Agreement OR ● Assumed Name Certificate (Fictitious Business Name or DBA) ● State Business License reflecting SIC AND ● Certificate of Organization (for LLC or LLP) 	<ul style="list-style-type: none"> ● State Business License reflecting SIC ● Assumed Name Certificate (Fictitious Business Name or DBA) AND ● Articles of Incorporation
One of the following <ul style="list-style-type: none"> ● IRS Form 1040C or 1040F ● IRS Form 1040 ES 	One of the following: <ul style="list-style-type: none"> ● IRS Form 1065 (Schedule K) ● IRS Form 1040 ES 	One of the following: <ul style="list-style-type: none"> ● C-Corp & Personal Services Corporation: IRS Form 1120& 1120W ● Corp: IRS Forms 1120S, K1 & 1040ES

This document is meant to be informative, and is not intended to be inclusive. Other policies and guidelines may apply.

Note: State and Federal Legislation/Regulations, including Small Group Reform and HIPAA, take precedence over any and all Underwriting Rules. Exceptions to Underwriting Rules require approval of Head Regional Underwriter except where Chief Underwriter approval is indicated.

This information is the property of Aetna and its affiliates (“Aetna”), and may only be used or transmitted with respect to Aetna products and procedures, as specifically authorized by Aetna, in writing.



Underwriting Guidelines For Groups with 2 to 50 Eligible Employees New York (Effective as of 1/1/04)

Employer Financial Conditions:

- Current carrier bill with billing summary will be required; group must be no more than one month delinquent on payments (i.e. current month only may not yet be paid).
- Groups that have been terminated for non-payment by Aetna will not be eligible to reapply until 12 months after the date of termination.

Final Rates

- Rating will be based on final enrollment.

Initial Premium Check

- The initial premium check is not a binder check and does not bind Aetna to provide coverage.
- An initial premium check equal to one-month premium must accompany application.
- If the request for coverage is denied due to business ineligibility, participation and/or contributions not met, or other permissible reasons, a refund check will be returned to the employer.
- Checks must be on company check stock, (personal checks not acceptable).

Late Applicants

- Late applicants will be postponed to the next open enrollment period.

Newly Formed Business

Must provide the following documentation for consideration:

- Payroll records or letter from attorney or Certified Public Accountant listing the names of all employees, number of hours worked on a regular basis, indication of salary draw; and
- Tax I.D Number

Option Sales

- It is strongly recommended that Aetna be the sole carrier for groups with 2 –19 eligible employees on HMO based benefits.

Participation

- HMO/QPOS:
 - Contracts issued under our HMO License do not require a minimal participation.
 - All groups must meet minimum eligibility requirements and provide waivers for those members not enrolling in the Aetna plan.
- Managed Choice:
 - Contracts issued on our ALIC (Managed Choice Products/PPO) license must have a minimum participation of 60% excluding spousal waivers.
- All contracts - Every eligible employee listed on the state wage and tax form, we will need one of the following:
 - An enrollment form or
 - A waiver form.

Probationary Period

- The employer decides whether or not to impose a probationary period.
- The probationary period must be consistently applied to all eligible employees.
- On time entrant eligibility date will be the first day of the policy month (1st or 15th of the month) following the waiting period of 0, 30, 60, 90, 120 or 180 days.
- Changes to probationary period allowed on anniversary only.

This document is meant to be informative, and is not intended to be inclusive. Other policies and guidelines may apply.

Note: State and Federal Legislation/Regulations, including Small Group Reform and HIPAA, take precedence over any and all Underwriting Rules. Exceptions to Underwriting Rules require approval of Head Regional Underwriter except where Chief Underwriter approval is indicated.

This information is the property of Aetna and its affiliates (“Aetna”), and may only be used or transmitted with respect to Aetna products and procedures, as specifically authorized by Aetna, in writing.



Underwriting Guidelines For Groups with 2 to 50 Eligible Employees New York (Effective as of 1/1/04)

Producers

- Only appropriately licensed Agents/Producers appointed by Aetna may market, present, sell and be paid commission on the sale of Aetna Products.
- In order to receive commissions on a sale, all Producers must be licensed and appointed with Aetna **prior** to the sale.
- All quotes are subject to change based upon additional information that becomes available in the quoting process and during the case submission/installation, including any change in census.

Replacing other Group Coverage

- A copy of the current billing statement that includes the account summary showing the plan is paid to the current premium due date.
- The employer should be told not to cancel any existing medical coverage until they have been notified of approval.

Retiree Eligible

- Retiree coverage is not available.

Out of State Employees

- Any active employee, who lives in a state other than where the company is domiciled, is considered an out of state employee.
- In order for Aetna to accommodate an out of state employee we must cover the active employees in the domiciled state.
- For groups requesting an HMO Product with 50% or less employees that work or reside outside the region, Aetna will quote an out-of-state plan for those employees. (i.e. employees must reside in NY, NJ, CT, PA, MA, ME)
- For groups requesting HMO Products with more than 50% of the group's employees outside the region, Aetna may decline to offer coverage to those out-of-state employees.

This document is meant to be informative, and is not intended to be inclusive. Other policies and guidelines may apply.

Note: State and Federal Legislation/Regulations, including Small Group Reform and HIPAA, take precedence over any and all Underwriting Rules. Exceptions to Underwriting Rules require approval of Head Regional Underwriter except where Chief Underwriter approval is indicated.

This information is the property of Aetna and its affiliates ("Aetna"), and may only be used or transmitted with respect to Aetna products and procedures, as specifically authorized by Aetna, in writing.