

MICRO GROUP EMPLOYER DOCUMENTATION

Thank you for having chosen Regence BlueShield or RegenceCare for your company's healthcare needs.

All required **ENROLLMENT AND TAX FORMS MUST BE COMPLETE AND RECEIVED AT REGENCE BLUESHIELD NO LATER THAN THE 15TH OF THE MONTH PRIOR TO THE EFFECTIVE DATE.** Should the 15th fall on a weekend, all forms must be received the preceding Friday. If it becomes necessary for Regence BlueShield or RegenceCare to obtain additional information, the requested effective date will be delayed or denied.

Do not cancel any existing policies until you receive confirmation of final rates and/or acceptance of the group by Regence BlueShield or RegenceCare.

In order to qualify your group and employees for coverage, you must meet the following eligibility and enrollment guidelines.

In accordance with the Regulatory Code of Washington (RCW) – 48.43.005, the following requirements have been established.

“Small Employer” means any person, firm, corporation, partnership, political subdivision or self-employed individual which is actively engaged in business, and where:

- At least fifty (50%) percent of its working force has been employed during the preceding calendar quarter.
- Fifty (50) or fewer employees are eligible for coverage at the effective date of coverage.
- The majority of employees are employed within the state of Washington.
- The employer maintains a normal workweek of thirty (30) or more hours.

This small group employer may NOT be formed primarily for the purpose of buying insurance and MUST be one in which a legitimate employer-employee relationship exists.

Our guidelines require all small employer groups of three (3) or fewer enrolled subscribers must provide a verification of eligibility using the Internal Revenue Service (IRS) forms listed below. A self-employed individual, or sole proprietor, is one who derives at least seventy-five (75%) of his or her personal income from a trade or business through which he or she has attempted to earn taxable income and for which he or she has filed the appropriate IRS form(s) for the previous year.

The following information ***must be provided on the applicable Regence BlueShield or RegenceCare forms*** when submitting a new group for enrollment:

Group Master Application – Be certain to ***complete the entire form*** including a signature. When applying for Regence BlueShield or RegenceCare coverage, please be careful to sign on the appropriate line.

Benefit Selection Insert – Indicate all benefits being requested and sign the appropriate insert for Regence BlueShield or RegenceCare coverage.

Employee Enrollment and Change Form – One needs to be completed by each enrolling employee, making certain to use the form applicable to the coverage being requested, Regence BlueShield or RegenceCare.

Waiver – One of these must be completed by each employee who is waiving coverage under this group plan. A photocopy of the employee's identification card from the other carrier must be attached to the waiver.

As all of the above enrollment forms are legal documents, it is necessary that all requested information be completed or it may require the group application to be returned and the proposed effective date of coverage will be delayed or denied.

TAX DOCUMENTATION

The appropriate tax documents must accompany the group application. Please supply the necessary forms as listed below for the previous tax year, or a copy of the prior year along with a copy of a filed extension form. When submitting a schedule 1040, please include both the first and second page (which must be signed by the taxpayer) of the form.

- 1040 *AND* Schedule C (Sole Proprietor), **AND** W-2's for any/all spousal income earned outside of the home.
- 1040 **AND** Schedule F (Farmer), **AND** W-2's for any/all spousal income earned outside of the home.
- 1120 **OR** 1120S (Corporation and Subchapter S Corporation), **WITH** Schedule E **AND** 5208 A&B.
- 1040 **AND** 1065 (Partnership) **WITH** Schedule E **AND** Schedule K-1's **for all partners, AND** W-2's for any/all spousal income earned outside of the home.
- 5208 A&B (Quarterly Tax Report filed with the Washington State Employment Security Department) This must always be for the most recently filed quarter. ***This is the only form acceptable for Non-Profit groups.*** (With the exception of religious organizations, please see below.)
- 5208 A&B (Quarterly Tax Report filed with the Washington State Employment Security Department) ***This form is required if the owner of a group is waiving coverage and applying to cover employees only.***
- Employer's Quarterly Report for Industrial Insurance must be submitted on behalf of a church. ***This is the only acceptable form of documentation for church coverage.***
- **IRA** - If money is showing on the 1040 tax form in the area designated as IRA income, please indicate the type of IRA transaction, a distribution or rollover to a Roth IRA.

A spouse can only be considered an employee if they are deriving W-2 income from the business or if they are listed on the tax forms as joint owner in the business. They must also work the required number of hours as specified in the Group Master Application. A W-2 must be submitted along with the other tax documents and enrollment forms.

An employee of a business may only be listed as an employee, not as a spouse. If a spouse is not an employee, they may not be listed as one.

Underwriting management reserves the right to require IRS FORMS or ANY OTHER FORM OF DOCUMENTATION deemed necessary on groups of any size, at any time.