



New York ACA Underwriting Brochure

Medical Plans effective February 1, 2024 and later

For businesses with 1–100 full time equivalent employees



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This material is intended for brokers and agents and is for informational purposes only.

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Underwriting Guidelines

This material is for informational purposes only and is not intended to be all inclusive. Other policies and guidelines may apply.

Note: State and federal legislation/regulations, including Small Group Reform and ACA, take precedence over any and all underwriting rules. Exceptions to underwriting rules require approval of the Underwriting Director. 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.

All underwriting guidelines are subject to change without notice.

Affiliated, associated, multiple companies, common ownership (two or more companies)

- All persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as one employer. More information can be found at <https://www.irs.gov/affordable-care-act/employers> and <https://www.irs.gov/pub/irs-tege/epchd704.pdf>.
 - There are 100 or fewer employees in the combined employer businesses. All full-time employees who are a part of a common controlled group along with employees under a common controlled group in other states must be included in the enrollment count.
 - Underwriting reserves the right to final underwriting review and may ask for additional documentation.

Benefit waiting period (BWP)

- The benefit waiting period (BWP), sometimes known as the probationary period, is the time that a member must be employed by the plan sponsor before they are eligible to enroll for benefits.
- Insurers may not set waiting periods. Employers may set a waiting period for new employees from 0-90 days.
- Insurers must give newly eligible employees an enrollment period of at least 30 days.
- At initial submission of the group, the BWP may be waived upon the group's request. This should be checked on the employer application.
- The BWP for future employees may be the 1st or 15th of the month following 0 days, 30 days, 60 days, or the day after 90 calendar days has been completed.
 - If the employee is rehired within one year from the termination date, the employee does not have to serve the waiting period, unless otherwise specified in the plan sponsor contract.

- If the employee is rehired after one year from the termination date, the waiting period must be met.
- Date of hire BWP is not available.
- Only one BWP is available.
- A reduction of the BWP may only be done on the group's anniversary date.
- No retroactive BWP changes will be allowed.
- BWPs must be consistently applied to all employees, including newly hired key employees.
- For new hires, the benefit eligibility date will be either the 1st or 15th of the policy month following the benefit waiting period of 0 days, 30 days, 60 days, or the day after 90 calendar days has been completed. Policy month refers to the contract effective date of the 1st or 15th.
 - If "0" days is selected, and the group has a 1st of the month bill cycle, and the employee is hired on the 1st of the month, the effective date will be the date of hire.
 - If "0" days is selected, and the group has a 15th of the month bill cycle, and the employee is hired on the 15th of the month, the effective date will be the date of hire.
 - If "90 Days" is selected, the enrollment eligibility date will begin the day after 90 calendar days has been completed.

BWP Examples	1 st of the month following the BWP	15 th of the month following the BWP
0 days	Date of hire: 4/1 Effective date: 4/1	Date of hire: 4/1 Effective date: 4/15
0 days	Date of hire: 4/18 Effective date: 5/1	Date of hire: 4/18 Effective date: 5/15
30 days	Date of hire: 4/18 Effective date: 6/1	Date of hire: 4/18 Effective date: 6/15
60 days	Date of hire: 4/18 Effective date: 7/1	Date of hire: 4/18 Effective date: 7/15
90 days	Date of hire: 4/18 Effective date: 7/17 not 8/1 - the day after 90 days is completed	Date of hire: 4/18 Effective date: 7/17 not 8/15 - the day after 90 days is completed

Case submission dates

- 1st of the month effective date - must be received by the 25th of the prior month.
- 15th of the month effective date - must be received by the 10th of the month.
- If the cut-off falls on a weekend or holiday, next available business day will be the cut-off.
- All required forms must be received upon initial case submission. Your case submission is not considered as complete until the following items are received: Employer

application, ACA One Census, QWTS and banking form. Cases that are submitted without these required forms will be moved to the next effective date.

COBRA and state continuation

- COBRA coverage will be extended in accordance with federal legislation/regulations.
- Employers with 20 or more employees (full and part time) are eligible to offer COBRA coverage.
- Employers with less than 20 employees (full and part time) are eligible to offer state continuation.
- If you are eligible to continue health coverage under federal COBRA for 18 months, then you can continue coverage under state continuation coverage for an additional 18 months. You have up to a total of 36 months of coverage when combining the COBRA and state continuation benefits.
- Group health plans sponsored by employers with 20 or more employees on more than 50 percent of its typical business days in the previous calendar year.
 - Include: full time, part time, seasonal, temporary, union, owners, partners, officers.
 - Exclude: self-employed persons, independent contractors (1099), directors.
 - 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.
- COBRA is an employer directed law. Employers are responsible for notifying eligible plan participants of their COBRA rights upon loss of coverage.
- In situations where it may appear the employer is not subject to COBRA, for example a three-life group requesting COBRA, we will ask the employer to “validate” the number of employees in the prior calendar year to determine the number of employees for COBRA purposes.
- Companies under common ownership are included in the count.
- COBRA and State Continuation participants are not billed separately and are included with the group bill.
- COBRA participants who do not reside in an Aetna service area are only eligible for out-of-network benefits if applicable or emergency care.
- Eligible enrollees are required to be included on the census.
- The qualifying event, length, start date and end date must be provided.
- COBRA/state continuation participants are not to be included for the purpose of counting employees to determine the size of the group. Once the size of the group has been determined according to the law applicable to the group, COBRA/state continuation participants can be included for coverage subject to normal underwriting guidelines.

Counting employees to determine group size in the prior calendar year

- The "full-time equivalent" (FTE) employee counting method must be utilized to determine group size. This method is the same calculation used to determine employer liability under the "Shared Responsibility for Employers" provisions of the ACA and Internal Revenue Code.
- Group size is only determined on issuance and at the time of renewal based on the **prior calendar year**. Mid-year fluctuations in the number of employees do not affect a determination of group size. Since employers average their number of employees across months in the year, fluctuations are taken into account ahead of time.
- Business not in existence the prior year should calculate the group size based on the "average number of employees the employer is reasonably expected to employ on business days in the current calendar year."
- Full-time employees are those who worked on average 30 hours or more a week for more than 120 days in a year (even if they are not enrolling for health coverage); or the number of employees the employer expects to work these hours. If the total number of employees isn't a whole number, round it down to the nearest whole number.
- Include in the count (even if they are not eligible nor enrolling for health coverage)
 - 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.
 - Part-time employees who worked on average less than 30 hours per week.
 - Union employees
 - Seasonal workers working 120 days or less in a year. There is a limited exception to counting seasonal workers if counting them triggers the employer to be large rather than small only because of their employment for 120 days or fewer. Only under this limited exception would seasonal workers not be included in the FTE count.
- Don't include (while these employee types should not be included in the FTE calculation, they may still qualify for coverage)
 - Owners of a sole proprietorship
 - Partner
 - Family members or members of the household who qualify as dependents on the individual income tax return of a person listed above, including a spouse, child (or descendant of a child), sibling or step-sibling, and parent (or ancestor of a parent), step parent, niece or nephew, aunt or uncle, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law
 - Independent contractors (form 1099 workers) who are not common law employees
 - Retired enrollees
 - COBRA enrollees unless there is a permitted exception under 42 USC 300gg-91 (d) (5).
- How to calculate

- Full-time employees that work at least 30 hours per week in any **month in the prior calendar year** are counted as one full-time employee. This amount is added to the number of part-time employees.
- Part-time employees are counted **in the prior calendar year** by taking the hours worked by all part-time employees in a week and dividing that amount by 30.

Example	Scenario	Calculation
1	15 employees working 30 hours or more 5 employees working 20 hours per week	15 3 ($5 \times 20 = 100 \div 30 = 3.33 = 3$) 18 Average number of FTE
2	85 employees working 30 hours or more 30 employees working 25 hours per week	85 25 ($30 \times 25 = 750 \div 30 = 25$) 110 Average number of FTE

Deductible and Coinsurance (Out of Pocket Credit)

- Deductible credit applies to calendar-year plans for group-to-group takeover for individuals on the employer's prior group plan.
- Credit is not available for members coming from a different carrier which is not the employer's prior plan.
- Members who are eligible and want to receive credit for deductible paid to the prior carrier should submit a copy of the explanation of benefits (EOB) to us no later than 90 days after the effective date. Be sure the member's Social Security number is on the EOB.
- This may be submitted at the initial small group submission or with their first claim or can be faxed to claims at **1-866-474-4040** no later than 90 days after the effective date. If you choose to fax, please include "Deductible Credit Request" in the subject line with the Group/Control Number to direct the information to the correct area for processing.
- Deductible credit reports may be submitted and should include the member's Social Security number.
- Deductible credit not allowed on plan-year plans.
- Deductible carryover not allowed.

Dependent eligibility

- Spouses
- Domestic partners can be considered eligible dependents; however, the employer must choose to cover domestic partners at initial underwriting of the group. If not done at time of enrollment, approval of future request to add coverage for domestic partners will be postponed until the group's next anniversary date. If the plan sponsor elects to cover domestic partners, the plan sponsor is responsible for determining whether the domestic partner is eligible.
- Dependent children

- A policy offering family coverage must offer coverage to natural children, legally adopted children, proposed adopted children, unmarried disabled children, stepchildren, newborn children, children for who the employee has legal custody, legal guardian by a court order and are chiefly dependent on employee for support.
- Children of an employee are covered until 26 regardless of financial dependent, residency, student status, employment, marital status, or eligibility for other coverage.
- Dependents (except for married dependents) may be covered for medical through age 29 under New York Law as follows:
 - > Young Adult Option (Cobra-like coverage elected by dependent). Premium is based on single employee rate.
 - > Make-available rider (purchased at the option of employer). Premium adjusted to incorporate the expanded dependent age.
- Foster children and grandchildren are not covered unless there is a court order.
- Children can only be covered under one parent's plan when both parents work for the same company.
- When the child works for the same company as the parent, the child may enroll separately as an employee or as a dependent under the parent's plan.
- Incapacitated child: Attainment of limiting age will not terminate the coverage of the child while the child is and continues to be both incapable of self-sustaining employment by reason of mental retardation or physical handicap and chiefly dependent upon the employee or member for support and maintenance. The employee or member must send us proof of incapacity and dependency within 31 days of the child's attainment of the limiting age and subsequently, as we ask for it but not more than annually after the two-year period after the child reaches the limiting age.
- We have the right to request and are furnished with such proof as may be needed to determine eligibility status of a prospective or Covered Subscriber and all other prospective or Covered Members as they pertain to eligibility for coverage.
- Dependents must enroll in the same benefits as the employee (dependent enrollment is not required).
- Employees may select coverage for eligible dependents under the dental plan even if they select single coverage under the medical plan.
- Individuals cannot be covered as an employee and dependent under the same plan, nor may children be eligible for coverage through both parents and be covered by both under the same plan.

Effective date

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

Employee eligibility

- Pursuant to the ACA, New York adopted the federal definition of employee in Insurance Law § 4235(d). Common law employees are "employees" as defined in 42 U.S.C. 300gg-91(d)(5) are eligible for coverage.
- A common law employee is anyone who performs services for an employer, if the employer can control what will be done and how it will be done. The common law test to determine control would look at behavioral control, financial control, and the type of relationship between the parties. An "employee" does not include the sole owner of a business or a spouse of the business owner. More information on determining who is a "common law" employee is available at on the IRS website at [IRS Common-Law Employee](#) and [IRS Independent Contractor or Employee](#).
- Eligible employees are those employees who are legal and work a normal work week of at least 20 hours, and who have met any authorized waiting period. Eligible employees include proprietors, partners, officers, and managers. It also includes:
 - 1099 employees.
 - Temporary and seasonal employees, at the option of the employer.
 - Co-employees of a PEO, Employee Leasing Company or other such entity that is a co-employer with a client of client-site employees.
- Individuals who were previously covered under a group policy but are not considered a common law employee are not eligible to be covered on the group policy when such policy is renewed on or after January 1, 2016, except for COBRA participants and owners. These individuals may be eligible for conversion coverage pursuant to the terms of their policy.
- 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 employment status must be provided as any other employee of the group (for example, NYS-45, partnership documentation, etc.).
- Retirees are not eligible for medical, dental, or vision.
- Employees/Individuals not eligible for coverage include substitute, uncompensated employee(s), employees making less than equivalent minimum wage, volunteer, inactive owner, shareholder only, board member(s), outside consultant(s), officer(s) who are not active, managing member who is not active, investor only or a silent partner.
- If the employer's employee eligibility criteria definition differs from the above definition (more than 20 hours), the employer's actual definition must be provided on the employer application at the time of new business submission. Note: the normal work week cannot be less than 20 hours.
- Employees are eligible to enroll in the dental plan even if they do not select medical coverage and vice versa.

Employee enrollment

- Employee enrollment must be submitted via ACA One Census.
- The employer keeps a copy of the paper applications on file for auditing purposes.
- ACA One Census is available on [Producer World](#).
 - **IMPORTANT:** download a fresh ACA One Census from Producer World for every group instead of saving one version to your desktop.
 - The employee enrollment forms do not need to be included in the sold case submission. All the required information must be entered into ACA One Census.
 - Enable the macros prior to entering data.
 - ACA One Census format should not be amended in any manner.
 - Plan Selection column - be sure to include the Plan Name or Plan ID for each enrolling member and dependent.
 - Waivers should also be recorded in ACA One Census.
 - COBRA/state continuation participants should be included and noted as COBRA/state continuation.
 - ACA One Census must be completed in full.

Employer contribution

- Coverage cannot be declined based on contribution strategy at time of sale or to non-renew a group at renewal. (Reference 45 CFR 147.104(b)(1)(i); 11 NYCRR 360.3)

Employer definition

- An employer with 1 to 100 full-time equivalent employees.
- The definition of small employer is now one common-law employee. This does not mean that a one-person company can get small group coverage. This accommodates one owner and one W-2 common-law employee (who is not a spouse of partner/owner).

Employer eligibility

- Group applicants that do not meet the above definition of a small employer are not eligible for coverage.
- The business must be located in New York.
- Organizations must not be formed solely for the purpose of obtaining health coverage.
- Groups where no employer/employee relationship exists are not eligible such as Associations, Taft-Hartley groups, and closed groups (groups that restrict eligibility through criteria other than employment). These groups must be written individually and are not eligible to be combined for purposes of obtaining health coverage.
- Small groups must have 1 to 100 full-time equivalent employees.
- If the group is being issued a network plan, any business with employees who live, work, or reside in the service area are eligible for coverage in accordance with 45 C.F.R. 147.104(c)(1).
- Group size is determined by the number of full-time equivalent employees.

- Group Size determination made on renewal. Fluctuation in the size of the group mid-year does not affect eligibility.
- One-life sole proprietors are not eligible.
- Groups are eligible as long as there is an enrolling common law W-2 employee who is not an owner and not the owner's spouse.
- Husband and wife groups are not eligible based on the federal definition of a group. To be considered a group health plan there must be at least one common law W-2 employee other than the owner and spouse "enrolled" in the plan. The spouse of the owner is not considered a "real" employee, even if paid as a W-2 employee. The owner and spouse are both considered to be owners and are eligible for individual coverage.
- Domestic partner and civil union - by definition, these individuals are not husband and wife. Thus, a 2-life group with only the domestic partners or civil union partners enrolling is eligible as long as there is an eligible common law W-2 employee enrolling.

Small Group Business Examples	All Plans
<ul style="list-style-type: none"> • LLC <ul style="list-style-type: none"> - Father and son; No W-2 EEs 	<ul style="list-style-type: none"> • Not eligible as there must be one common law W-2 enrolling.
<ul style="list-style-type: none"> • Sole proprietor, Corporation or LLC <ul style="list-style-type: none"> - 1 owner; 1 eligible W-2 EE 	<ul style="list-style-type: none"> • Eligible if one common law W-2 enrolling.
<ul style="list-style-type: none"> • LLC <ul style="list-style-type: none"> - 1 owner; 3 eligible W-2 EEs - 1 W-2 EE is the spouse - Owner and spouse are the only 2 enrolling - 2 others waiving 	<ul style="list-style-type: none"> • Not eligible as there must be one common law W-2 enrolling that is not the spouse.
<ul style="list-style-type: none"> • Corporation <ul style="list-style-type: none"> - 1 owner enrolling; 2 W-2 EEs waiving 	<ul style="list-style-type: none"> • Not eligible as there must be one common law W-2 enrolling.
<ul style="list-style-type: none"> • 2-life <ul style="list-style-type: none"> - Boyfriend and girlfriend living together - Girlfriend paid W-2 	<ul style="list-style-type: none"> • Eligible since girlfriend is paid W-2.
<ul style="list-style-type: none"> • 2-life <ul style="list-style-type: none"> - Same sex civil union or DP civil union - DP paid W-2 	<ul style="list-style-type: none"> • Eligible if one eligible common law W-2 employee is enrolling.
<ul style="list-style-type: none"> • Religious Organization <ul style="list-style-type: none"> - Priest/minister/rabbi/etc. and spouse are the only employees - Not a business owned by them, the church is the employer 	<ul style="list-style-type: none"> • Eligible as religious organization are not owned. The husband and wife are considered employees of the church.

Excluded Class/Carve Out

- Union employees, as a class, may be excluded by an employer as not being eligible for coverage. Union employees are included in the full-time equivalent count in determining the case size.
- Coverage of management employees only is not permitted.
- Groups that do not meet participation criteria are eligible to enroll during open enrollment, November 15th through December 15th.

Employers replacing other group coverage

- The employer should be told not to cancel any existing coverage until they have been notified of approval from the Aetna Underwriting unit.

Forms

- Enrollment forms are available on [Producer World](#).

Guarantee Issue

- Aetna offers its fully insured commercial small group plans on a guaranteed issue basis.

Guaranteed availability

- All policies must be guaranteed available to groups year-round.
- Guidance on Guaranteed Availability and Renewability is available at: [NY Department of Financial Services - Health Insurance Market Rules](#).

Guaranteed renewability

- Groups cannot be terminated for participation.
- A group must be renewed unless terminated because of the following:
 - Fraud or misrepresentation of material facts.
 - Failure to meet an insurer's service area requirements if no employee lives, works, or resides in service area.
 - Lapsed membership by a participating group in the association if association group coverage.
 - Inability to meet the definition of permissible group under applicable state and federal requirements.
 - Insurer discontinues a class of contract or withdraws from the market.

Groups covered under a Professional Employer Organization (PEO)

- Groups that use the services of a PEO generally do not meet the definition of a small employer as the transfer of employees to the PEO in effect ends/severs the employer/employee relationship. The employees become part of the large PEO group, are considered employees of the PEO, and are paid by the PEO.
- Groups are not eligible if the employees are reported under the PEO's Tax ID.
- Groups only using "payroll services" are eligible subject to meeting all other standard underwriting guidelines - eligibility, participation, etc.
- A group must choose one coverage option and may not offer different coverage arrangements (e.g., both as a large and small employer) at the same time.

Late applicants

- An employee or dependent enrolling for coverage more than 31 days from the date first eligible or more than 31 days from the qualifying event is considered a late enrollee.
- Applicants without a qualifying life event (that is, marriage, divorce, newborn child, adoption, loss of spousal coverage, etc.) are subject to the late entrant guidelines as noted below.
- Voluntary cancellation of coverage is not a qualifying event unless it is done at open enrollment. For example, if a spouse/partner is covered through his/her employer and voluntarily cancels the coverage, it is not a qualifying event to be added to the other spouse's/partner's plan. The spouse/partner who cancelled the coverage must wait until the next anniversary date to be eligible to enroll. However, if each spouse has different open enrollment dates and drops coverage during their annual open enrollment period, the spouse is eligible to enroll.
- Late applicants will be deferred to the next plan anniversary date of the group and may reapply for coverage 30 days before the anniversary date.

Licensed, appointed producers

- Only appropriately licensed agents/producers appointed by Aetna may market, present, sell and be paid commission on the sale of Aetna products.
- License and appointment requirements vary by state and are based on the contract state of the employer group being submitted.
- Groups headquartered in New York require licensing at the time of sale. Appointment is required within 15 calendar days from the date the employer application is signed. The date the employer application is signed is day 1.
- To become appointed with Aetna, go to [Producer World](#), and click "Register Now".

Live/work

- If the group is being issued a network plan, any business with employees who live, work, or reside in the service area are eligible for coverage in accordance with 45 C.F.R. 147.104(c)(1).

Medicare (MSP) for CMS reporting

- All carriers must report to Centers for Medicare & Medicaid Services (CMS) the number of Medicare Secondary Payer (MSP) groups and the number of employees, each year based on the number of employees provided by the employer.
- MSP is the term used by Medicare when Medicare is not responsible for paying first. This is generally when the Aetna plan would pay primary to Medicare for active employees and would pay first when there are 20 or **more** total employees (full and part time) for 20 or more weeks during this calendar year or prior calendar year.
 - Include: full-time, part-time, seasonal, temporary, union, owners, partners, officers

- Exclude: self-employed persons, independent contractors (1099), directors, leased employees

Multi Option (Medical)

- All health plans are available to the employer.

Newly formed businesses (in operation less than 3 months)

All size groups must provide the following:

- A copy of the Quarterly Wage and Tax statement, if not available, must provide the most recent two consecutive weeks of payroll records, which includes, for every eligible employee: first and last name, hours worked, taxes withheld, check number, wages earned including those Part-time or in the waiting period.
- There must be one enrolled W-2 employee who is not the owner and not the owner's spouse.
- Entity formation documentation required as noted below (only required if owner is not on QWTS or payroll):

Sole Proprietor – A copy of the business license (not a professional license).

Partnership or Limited Liability Partnership – A copy of the partnership agreement.

Limited Liability Company – A copy of the articles of organization and the operating agreement to include the signature page(s) of all officers.

Corporation – A copy of the articles of incorporation

Open enrollment for employees

- Employees are permitted to join the plan, add dependents, or make changes (if applicable) during a 30-day open enrollment period, usually at renewal of the group policy.

Open enrollment*

- *For medical groups not meeting standard participation requirements.
- Groups that do not meet our standard participation requirements are eligible to enroll for medical coverage during an annual open enrollment period.
- Groups must be submitted between November 15 and December 15 of each year for a January 1 effective date.
- Other Underwriting Guidelines still apply for all coverages including Medical.
- Groups must provide the quarterly wage and tax statement.
- Standard W-2 rules apply.
- Groups must be complete and have all requirements in by December 15. No exceptions for missing items.

- Ancillary coverage (dental and vision) may be included along with medical during this open enrollment period. Standard participation requirements apply to ancillary coverage.
- Groups that do not meet our standard participation requirements can only obtain coverage during this open enrollment period.

Option sales alongside other carriers

- Other Insurance offered by the same employer is not a valid waiver.

Out-of-state employees

- To enroll in the NY OAEPO plans with the Signature network, an employee must either live or work in NY.
- An active employee who both lives and works outside of New York must be enrolled in a plan with a network in their service area (if available).
- Health coverage is not available in Hawaii or Vermont to any group or resident located in these states.
- Massachusetts employees - if the group has any Massachusetts employees, the plan needs to meet Massachusetts Credibility. If the employee/group proceeds with a plan that does not meet Massachusetts credibility, the Massachusetts employee(s) could be subject to fines/penalties associated with Massachusetts credibility. For more information on Massachusetts credibility, please contact your CPA or financial advisor.
- Employees residing in Idaho, Missouri, Montana, and Wyoming are eligible for enrollment in the OAEPO plan, if available.

Participation

- Noncontributory plans (employer pays all) - 100% must enroll, excluding valid waivers
- Contributory plans - 60% must enroll, excluding valid waivers, rounded down.
 - Example: 12 eligible; 4 valid waivers = $12 - 4 = 8 \times 60\% = 4.8 = 4$ must enroll
- Valid waivers are defined as spousal group, parental group, Medicare, Medicaid, or VA.
- Individual coverage on and off exchange, and other coverage sponsored by the same employer does not count as a valid waiver.
- Waivers may be sent in a separate excel spreadsheet - it must include the employee's name and reason for waiving. Be sure the employer keeps a copy of the paper applications on file for auditing purposes.
- Groups that do not meet the minimum participation requirements are eligible to enroll during an annual open enrollment period which applies to coverage issued between November 15th and December 15th, and to coverage applied for between November 15th and December 15th with an effective date of January 1st.
- Every eligible employee listed on the quarterly wage and tax statement must complete an enrollment form or waiver form.

- Participation requirement will not apply at renewal.

Plan change employee level

- Employees are not eligible to change plans until the group's open enrollment period, which is upon their annual renewal (except for qualified special enrollment events - marriage, divorce, newborn child, adoption, loss of spousal coverage, etc.).

Plan changes group level

- Changes allowed on plan anniversary date only.

Prior Aetna coverage

- The employer should be told not to cancel any existing medical coverage until they have been notified of approval from the Aetna Underwriting unit.

Product availability

- May be written standalone or with ancillary coverage.
- Cover services if benefits for such services are not provided under any state or federal Workers' Compensation, employers' liability, or occupational disease law.

Signature dates

- The Aetna employer application and all employee applications must be signed and dated before and within ninety (90) days of the requested effective date.
- All employee applications must be completed by the employee himself/herself.
- Electronic signatures are acceptable.

Special Enrollment

Special enrollment upon loss of coverage

When an employee, or dependent loses coverage, they may be eligible for special enrollment. A current employee and any dependents (including the employee's spouse) each are eligible for special enrollment in any benefit package under the plan if:

- The employee and the dependents are otherwise eligible to enroll in the benefit package; and
- Enrollment in a prior plan is not necessarily required for certain special enrollment periods; and
- The employee or dependent satisfies the conditions of special enrollment set forth below.

Conditions for special enrollment

- Loss of eligibility for coverage. In the case of an employee or dependent who has coverage that is not COBRA continuation coverage, the conditions of this paragraph are satisfied at the time the coverage is terminated as a result of loss of eligibility (regardless of whether the individual is eligible for or elects COBRA continuation coverage).
- Loss of eligibility for coverage under this paragraph includes (but is not limited to) loss of eligibility for coverage as a result of:
 - Legal separation
 - Divorce
 - Cessation of dependent status (such as attaining the maximum age to be eligible as a dependent child under the plan)
 - Death of an employee
 - Termination of employment or reduction in the number of hours of employment
- In the case of Exclusive Provider Organization (EPO) coverage, loss of coverage includes loss of coverage because:
 - An individual no longer resides, lives, or works in the service area (whether or not within the choice of the individual)
 - No other benefit package is available to the individual
- Loss of eligibility under this paragraph does not include a loss due to the failure of the employee or dependent to pay premiums on a timely basis or termination of coverage for cause (such as making a fraudulent claim or an intentional misrepresentation of a material fact in connection with the plan).
- Exhaustion of COBRA continuation coverage

Applying for special enrollment and effective date of coverage

- A plan or issuer must allow an employee a period of at least 30 days after an event described above to request enrollment (for the employee or the employee's dependent).
- Coverage must begin no later than the first day of the first calendar month beginning after the date the plan or issuer receives the request for special enrollment.

Special enrollment with respect to certain dependent beneficiaries - individuals eligible for special enrollment

- Current employee only - A current employee is described in this paragraph (45 CFR 146.117(b)(2)(i)). If a person becomes a dependent of the individual through marriage, birth, adoption, or placement for adoption.
- Spouse of a participant only - An individual is described in this paragraph (45 CFR 146.117(b)(2)(ii)). If either:
 - The individual becomes the spouse of a participant; or
 - The individual is a spouse of a participant, and a child becomes a dependent of the participant through birth, adoption, or placement for adoption.

- Current employee and spouse - A current employee and an individual who is or becomes a spouse of such an employee, are described in this paragraph (45 CFR 145 117 (b)(2)(iii). if either:
 - The employee and the spouse become married; or
 - The employee and spouse are married, and a child becomes a dependent of the employee through birth, adoption, or placement for adoption.
- Dependent of a participant only. If the individual is a dependent of a participant and the individual has become a dependent of the participant through marriage, birth, adoption, or placement for adoption.
- Current employee and a new dependent. A current employee and an individual, who is a dependent of the employee, if the individual becomes a dependent of the employee through marriage, birth, adoption, or placement for adoption.
- Current employee, spouse, and a new dependent. A current employee, the employee's spouse, and the employee's dependent if the dependent becomes a dependent of the employee through marriage, birth, adoption, or placement for adoption.

Applying for special enrollment and effective date of coverage Request

- We allow an individual a period of at least 30 days after the date of the marriage, birth, adoption, or placement for adoption (or,
- If dependent coverage is not generally made available at the time of the marriage, birth, adoption, or placement for adoption, a period of at least 30 days after the date the plan makes dependent coverage generally available) to request enrollment (for the individual or the individual's dependent).

Date coverage begins

- Marriage. In the case of marriage, coverage begins on the first day of the first calendar month beginning after the date we receive the request for special enrollment.
- Birth, adoption, or placement for adoption. Coverage begins in the case of a dependent's birth on the date of birth and in the case of a dependent's adoption or placement for adoption on the date of such adoption or placement for adoption (or, if dependent coverage is not made generally available at the time of the birth, adoption, or placement for adoption, the date the plan makes dependent coverage available).

Tax documents

- A Quarterly Wage and Tax Statement (QWTS) must be provided for:
 - 1 to 100 enrolled employees
- Newly hired, terminated, part time, retirees, seasonal, and temporary employees should be noted accordingly on the QWTS.
- Sole proprietors not listed on the QWTS are required to provide the most recent IRS tax documents and/or entity formation documents.

- Any handwritten comments added to the QWTS must be signed and dated by the employer.
- Underwriting reserves the right to request other documentation.
- Nonprofit groups may provide payroll documents as long as they also submit the appropriate form detailing their nonprofit status.
- Churches must provide Form 941, including a copy of the payroll records with employee names, wages, and hours, which must match the totals on Form 941.

Dental

Refer to **Producer World** for Ancillary (Dental and Vision) underwriting guidelines.

Vision

Refer to **Producer World** for Ancillary (Dental and Vision) underwriting guidelines.

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