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## Carrier

## Requirements



**Yes.** Group needs to meet all eligibility and participation requirements  
Due to the nature of business, personal checks are acceptable in lieu of business check.  
Cashier's checks with PSUID and payment support documentation would also be acceptable in lieu of business check.



**Yes.** Group needs to meet all eligibility and participation requirements  
Life and Disability products must be sold alongside Medical to qualify  
Due to the nature of business, personal checks or cashier's checks are acceptable in lieu of business check



**Yes.** Group needs to meet all eligibility and participation requirements  
Due to the nature of business cashier's check or money orders are acceptable in lieu of business check\*  
\*Note that because they will be submitting a Cashier's Check versus using the Initial Payment Authorization form, cannabis groups can not be submitted via the Employer Enrollment Tool. They will need to be submitted via email.



**Yes.** Group needs to meet all eligibility and participation requirements  
Group's business license from the city in which they operate is acceptable in lieu of business check requirement  
Due to the nature of business, premium checks can be paid from any account  
Cashier's checks are also acceptable in lieu of business check\*  
\*If there is a TPA/Mgmt. Co. handling the banking for this group, provide a written explanation from the employer to include the name of the TPA/Mgmt. Co



**Yes.**  
Group needs to meet all eligibility and participation requirements Must present an eligible SIC code  
Due to the nature of business, personal checks or cashier's checks are acceptable in lieu of business check.  
\*If there is a TPA/Mgmt. Co. handling the banking for this group, provide a written explanation from the employer to include the name of the TPA/Mgmt. Co



**Yes.**  
Group needs to meet all eligibility and participation requirements  
Must present an eligible SIC code.  
Personal Checks or money orders are not accepted however the group will need to use the Delta Dental Initial Premium Authorization Form.



**No.**  
Guardian will not write in Cannabis Industry



**Yes.**  
Group needs to meet all eligibility and participation requirements  
Due to the nature of business, personal checks specifically from the owner's checking account is acceptable in lieu of business check



**Yes.**  
Group needs to meet all eligibility and participation requirements  
Due to the nature of business, personal checks are acceptable in lieu of business check  
\*\*They can use EFT form as long as they can provide an email address, 9-digit routing number and account number

**Carrier**

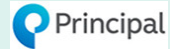
**Requirements**



**No.** MetLife will not write within Cannabis Industry  
\*\*NOTE: May be considered depending on the sector. If they are growing cannabis then they cannot be insured. However, if it is hemp-based CBD related products then they may be insured. Reach out to Metlife with group details for confirmation or declination to quote.



**No.**  
Nippon Life Benefits will not write in Cannabis Industry



**No.**  
Principal will not write in Cannabis Industry



**Yes.**  
Group needs to meet all eligibility and participation requirements  
Due to the nature of business, UHC will ask for ACH be set up at time of enrollment.



**No.**  
Unum will not write in Cannabis Industry

Carrier	Cut-Off Dates
<b>AETNA</b>	Must be sent to Aetna by the <b>5th calendar day of the month</b> for the 1st of the month effective date. <b>15th of the month</b> for the 15th of the month effective date..
<b>ANTHEM BLUE CROSS</b>	The <b>20th calendar day of the month</b> for the 1st of the month effective date. <b>12th calendar day</b> for the 15th of the month effective date.
<b>BLUE SHIELD OF CALIFORNIA</b>	Must receive all completed paperwork by the <b>15th calendar day of the month</b> when the requested effective date is for the first of that month.
<b>CALCPA HEALTH <sup>1</sup></b>	<b>5th business day:</b> for the 1st of the month effective date. 15th of the month not available.
<b>CALIFORNIA CHOICE<sup>®</sup></b>	<b>5th business day of the month:</b> for the 1st of the month effective date. 15th of the month not available.
<b>CHOICE BUILDER<sup>®</sup></b>	<b>5th business day of the month:</b> for the 1st of the month effective date. 15th of the month not available.
<b>COVERED CALIFORNIA FOR SMALL BUSINESS</b>	The <b>7<sup>th</sup> calendar day of the month</b> for a 1 <sup>st</sup> of the month effective date.
<b>GUARDIAN</b>	Deadline is the <b>5th working day of the month</b> for a 1st of the month effective date.
<b>HEALTH NET</b>	Cut-off date is the <b>5th of the month</b> or following business day if cut-off falls on a holiday or weekend.
<b>HUMANA</b>	<b>5th business day of the month</b>
<b>KAISER PERMANENTE</b>	<b>5th business day:</b> for the 1st of the month effective date. 15th of the month not available. Kaiser's late enrollment letter form must accompany groups received between the 2nd and 5th business day of the requested effective month.
<b>MEDIEXCEL</b>	Deadline is the <b>5th of the month</b> for a 1st of the month effective date.
<b>MET LIFE</b>	Deadline is the <b>5th business day of that month past the effective date</b>
<b>PRINCIPAL FINANCIAL</b>	Deadline is the <b>5th business day</b> of the month for a 1st of the month effective date.
<b>UNUM</b>	<b>Five business days prior to end of the month:</b> for the 1st of the month effective date. <b>15th of the month</b> available on approval basis only. Need a master app signed on or prior to the effective date
<b>VSP</b>	<b>VSP No deadline date:</b> for the 1st of the month effective date. 15th of the month not available.

<sup>1</sup>CalCPA policies enrollment only for accountants/CPAs, and financial service industries (banking, securities, investment, mortgage, under SIC 7379-NEC).

<sup>2</sup> If the current cut-off falls on a weekend or holiday, next available business day will be the cut-off date.

## Carrier

## Guidelines



Groups who have more than one business with different TINs may be eligible to enroll as one group if the following are met:

- One owner has controlling interest of all businesses to be included
- Companies that are affiliated and that are eligible to file a combined income tax return for purposes of state taxation shall be considered one employer
- All groups filed under one combined tax return are considered one group
- There are 100 or fewer employees in the combined groups
- Business with equal controlling interest may be considered if the owners of the company designate an individual to act on behalf of all the groups
- A completed Common Ownership form must be submitted
- Underwriting reserves the right to final underwriting review and may consider common ownership on a case-by-case underwriting exception



Companies that are affiliated and eligible to file a combined tax return for purposes of state taxation shall be considered one employer

Common ownership groups must meet the definition of a small employer when combined.

All companies in the common ownership group must appear as Active on the California Business Portal

The employer can attest to the affiliation on the employer application Section A- Affiliatio



Copies of Articles of Incorporation/Partnership Agreements are required for each group  
Common ownership groups must meet the definition of a small employer when combined.

All companies in the common ownership group must appear as Active on the California Business Portal



Each company must share a minimum of 50% common ownership. Companies must have a related industry (The groups would be able to file payroll taxes jointly)

The total number eligible for all combined groups may not exceed 100  
Completed Common Ownership Statement

Proof of related industries may be required by the Underwriter



FOR SMALL  
BUSINESS

Affiliated companies that are eligible to file a combined state tax return shall be considered one employer for the purposes of obtaining group coverage.

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.

There must be 100 FTEs or fewer employees in the combined groups.

CPA letter or letter on company letter head signed by owner attesting that the companies share ownership and want to be written together.

CCSB will allow groups to choose if they want to be written together or separately (group must meet the definition of a small employer as a combined entity if written together or separately).

## Carrier

## Guidelines



Small employers qualified to enroll as a single employer are required to submit a letter from a CPA certifying how they are eligible

The CPA must not be an owner or employee of the groups seeking coverage  
The letter must be on CPA letter head and it must explicitly state how the groups are eligible to enroll under a single policy

Allowable reasons for how common ownership groups are eligible to enroll under a single policy:

- Affiliated companies that are eligible to file a combined tax return for state taxation
- Controlled groups of corporations
- Trades and businesses, whether or not incorporated, under common control
- Affiliated service groups

Common ownership groups must meet the definition of a small employer when combined



Business entities that are affiliated and eligible to file a combined tax return for purposes of state taxation will be considered 1 employer and must apply as 1 employer

Common ownership groups must meet the definition of a small employer when combined

All companies in the common ownership group must appear as Active on the California Business Portal



Copies of the filed/stamped Statement of Information reflecting all officer/owners, or signed/dated Partnership Agreements listing all partners' names

A letter from the employer's CPA stating that all business entities are eligible to file a combined tax return

Submission of a completed and signed Common Ownership Certificate form

All companies in the common ownership group must appear as Active on the California Business Portal

Important: These penalty amounts are projections only, based on formulas used by the Internal Revenue - Service (IRS) to determine ACA noncompliance penalties. As of the date of this resource's publishing, final penalty amounts have neither been released nor confirmed by the IRS. With this in mind, these projected - penalties are subject to change until the IRS confirms them at a later date.

## PENALTY "A" 4980H (a)

1. **No offer of minimum essential coverage (MEC)**
2. **Trigger: FT employee gets Premium Tax Credit (PTC) from Exchange**
3. **\$2,880\* x all FT employees minus first 30 FT employees**
4. **Calculated on a monthly basis at 1/12 of \$2,880 or \$240.00 per month**

*Must offer to "all" FT employees. Regulators defined "all" as 95% (all but greater of 5% or 5 FT employees)*

*\* IRS will increase this penalty each year*

## PENALTY "B" 4980H (b)

1. **Coverage is not affordable or does not - provide minimum value**
2. **Trigger: FT employee gets Premium Tax Credit (PTC) from Exchange**
3. **\$4,320\* per FT employee receiving a - Premium Tax Credit from the exchange.**
4. **Calculated on a monthly basis at 1/12 of \$4,320 or \$360.00 per month.**

*An Applicable Large Employer (ALE) that avoids Penalty "A" could be subject to Penalty "B" if FT employee that receives an offer for MEC that is considered unaffordable and/or does not meet minimum value gets PTC from Exchange.*

*\* IRS will increase this penalty each year.*

### Example:

*An employer with 80 FT employees does not offer MEC coverage to its FT employees and their dependents, and at least one of those 80 employees receives a PTC from the Exchange for all 12 months of 2023.*

*80 FT employees - 30 = 50  
50 x \$2,880 = \$144,000 penalty*

### Example:

*An Applicable Large Employer with 60 FT employees does not offer coverage that is affordable according to ACA regulations, and 20 of those FT employees receive a PTC from the Exchange for all 12 months of 2023.*

**20 x \$4,320 = \$86,400 penalty**

### EITHER PENALTY MAY APPLY IN A GIVEN MONTH, BUT NOT BOTH

Penalty B cannot exceed the amount the employer would have owed had it been liable for Penalty A. This ensures an ALE that offers Minimum Essential Coverage (MEC), but does not meet affordability or Minimum Value criteria, never gets a penalty amount that exceeds what it would have been liable for, had it not offered MEC at all.

## Carrier

## Requirements



New Hire rates will be based on the member's age at the member's enrollment date



New Hire rates will be based on the member's age at the member's enrollment date



New Hire rates will be based on the member's age at the member's enrollment date



New Hire rates will be based on the member's age at the member's enrollment date



New Hire rates will be based on the member's age at the group's effective date



New Hire rates will be based on the member's age at the group's effective date



New Hire rates will be based on the member's age at the member's enrollment date

This guide has been created as a quick reference and does not replace the full underwriting guidelines published by each carrier. Please refer to the carrier guidelines for additional information.



## Carrier

### Quarterly Wage Report/DE9C not required for:



No DE9C is required for 5+ enrolling for groups with current coverage. Excludes Virgin groups, Groups with 10% of EEs residing out of CA, and groups with more than 20% COBRA enrollments.

#### Underwriting Highlights:

**Pick 10:** mix and match any combination of plans and networks.

**Participation Promotion (Q3 '23 through Q1 '24):** Small groups enrolling 5-100 need to meet 25% participation. Standard 60% participation applies to groups enrolling 4 or less subscribers.

**QWTS Requirements:** Quarterly Wage & Tax Statements not required on groups enrolling 5 or more. QWTS is required for groups with less than 5 enrolling, no current employer group coverage, more than 10% of employees located outside CA, or more than 20% are COBRA/Cal-COBRA employees.

*Note: Information is subject to change and carriers can request additional documents as needed.*



- No DE9C required for 3+ enrolled
- Must provide a copy of the most recent prior carrier bill.
- Payroll is required for eligible employees not listed on the bill
- New hire letter if required for newly hired employees not yet listed on the prior carrier bill or payroll
- Virgin groups are excluded from promotion.

DE9C Not Required for Specialty

#### Anthem Small Group will be allowing additional network flexibility:

Now Employers can select one of the following pairings:

- Both PPO Networks alongside any Two HMO networks (**Including Vivity**)
- Both PPO Networks alongside Select HMO, Priority Select HMO, and Vivity HMO networks (Excluding California Care HMO)\*.

#### Underwriting Highlights:

- **Statewide Network Flexibility Promotion:** Employers can choose 2 PPO Networks with 1 HMO or 2 HMO Networks with 1 PPO.
- **Relaxed Participation:** Enrolling 5+ need to meet 25% participation. Standard 65% participation applies for 4 or less subscribers.
- **Valid Waivers:** Individual coverage both on and off the exchange will be accepted as a valid waiver (in addition to waivers due to Medicare, Medi-Cal or military, or covered as a dependent on a spouse or parent's group plan).

*Note: Information is subject to change and carriers can request additional documents as needed*



#### DE9C not required for groups with 3-95 FT/FTE eligible employees

- Owners are not included in the count of eligible employees
- PEO's, Union/Non Union, Start ups, Spin offs and Multiple Employer groups do not qualify for the no DE9C guideline

#### A DE9C may be requested for groups of all sizes when:

There are eligible employees aged 70+  
Groups with 2+ employees residing at the same address  
Groups whose legal entity is listed as 'other'  
Groups of 1 enrolling

Blue Shield reserves the right to require documentation such as a DE9C or payroll register for groups of any size at their discretion



**Carrier**

**Quarterly Wage Report/DE9C not required for:**



DE9C not required for Sole Proprietors.



No DE9C is required for 6 + enrolling

- A copy of the most recent prior carrier bill is required
- Must submit payroll for EE's enrolling that are not listed on the prior carrier bill.



FOR SMALL BUSINESS

Required



• **Enhanced Choice Promo:** Groups of 5+ enrolled: No DE9C, payroll or ownership docs, No prior carrier bill required. Minimum 25% participation required. Health Net can be written alongside other carriers. Now employees enrolled on another carrier through the same employer plan will not count against participation.

• **Sell HMO with 6 Package:** Groups of 6+ enrolled: No DE9C, payroll or ownership docs, No Participation attestation, No Prior carrier bill, No Waivers (when paired with life or employer paid dental/vision), No Participation requirement.



Groups of 1+ enrolling

Business Documentation required (example: business license/SOI)

Start Up groups and groups leaving a PEO do qualify for this promotion



No DE9C is required for groups with 5+ enrolled EEs



Required.



Required.



**Guideline:**

Groups with 3+ enrolling can submit a Participation Certification form in lieu of a DE9C. If in business less than a year, submit at least one applicable tax document. DE9C is not required for groups of 10+ eligible employees for all other out-of-state groups.

**Carrier**      **Will the carriers write an owner-only group?**



**No.** Owner-only groups without W2 employees are ineligible for coverage.



**Yes.** Owner-only groups that meet the following criteria are eligible for coverage:

- The group is an S-Corp, C-Corp, or LLC
- There are at least two owners who aren't spouses
- One owner completes an Eligibility Statement or can provide W2s



**No.** Owner-only groups without W2 employees are ineligible for coverage.



**Yes.** Owner-only groups that meet the following criteria are eligible for coverage:

- The group must be headquartered in CA offering general financial services
- More than 50% of all the firm's owners must be CPA members of CalCPA or Associate members of CalCPA. All CPA owners must be members of CalCPA in good standing. (Effective 01/01/2019 - Most up to date guidelines available.)
- More than 50% of the group must reside in CA
- All employees must work at least 20 hours per week, unless the group chooses 30 hours as the eligibility requirement



**No.** Owner-only groups without W2 employees are ineligible for coverage.



**No.** Owner-only groups without W2 employees are ineligible for coverage.



**No.** Owner-only groups are not eligible for coverage. There must be a minimum of one W-2 employee, who is not a spouse of the owner or partner. (Effective 03/01/2022)



**Yes.** Will write Officer Only groups as long as the group's business entity is a type of Corporation such as **LLC, S-Corp, or C-Corp**. At least one of the officers must be a W-2 employee and listed on the DE9C.

**No.** (Sole Props & Partnerships)  
Owner-only groups without a W-2 employee are ineligible for coverage.



**No.** Owner-only groups without W2 employees are not eligible for coverage.



**No.** Owner-only groups without W2 employees are not eligible for coverage.



**Yes.** Will write Owner Only groups as long as the group's business entity is a type of Corporation such as LLC, S-Corp or C-Corp

Owners cannot be spouses/domestic partners.  
At least 2 eligible owners are required.

**No.** Spouse-only groups, owner-only groups and sole proprietors are not eligible unless there is at least one eligible common law employee enrolling. (Effective 07/01/2021 - Most up to date guidelines available.)

**Carrier      Guideline**



Sole Carrier: 75% of eligible employees (excluding valid waivers) but no less than 50% of ALL eligible employees regardless of valid waivers

Alongside Kaiser: Minimum of 60% of eligible employees and 40 employees enrolled



Sole Carrier: 75% of net eligible employees (If under 75%, rates will be loaded) Net eligible  
EXAMPLE: 200 eligible employees with 30 valid waivers is 170 net eligible employees  
Alongside Kaiser: Minimum of 51% of total eligible employees must enroll with Anthem



65% of eligible employees must enroll in employer-sponsored medical coverage  
Or 50% of eligible employees and 75% of net eligible employees must enroll in employer-sponsored medical coverage (net eligible is total eligible minus valid waivers)  
If offered alongside Kaiser participation can drop to 40% or 30% if Trio is offered



Sole Carrier: 50% of eligible employees (valid waivers will count against participation)  
Alongside Kaiser: Minimum of 50% of participating eligible employees must enroll with Cigna and must be greater than 50 employees

Standard participation requirement outside of promotion is 55% of all eligible.

**Promotion:**

Enhanced Choice Solutions Flexible participation program:

Total Takeover: Participation requirements of minimum 33% of the total eligible employees or 33 active enrolled; whichever is greater

Multi Carrier Strategy: Participation requirements of minimum 10% of the eligible population, or 25 active enrolled employees, whichever is greater.



Sole Carrier: Minimum participation of 5 employees  
Alongside Kaiser: The greater of 5 or 5% of the total number of employees enrolled in all health plans in regions where KP is offered. 50% of eligible employees must be covered by a group plan



Sole Carrier: 50% of eligible employees regardless of waivers OR 75% excluding valid waivers  
Alongside Kaiser: Not at this time



Sole Carrier: 60% of eligible employees including valid waivers Minimum of 50% on a case-by-case basis  
Alongside Kaiser: 40% of enrolled employees



Sole Carrier:

- HMO: Review current participation and discuss with broker group strategy
  - PPO: Enrollment cannot exceed 10% of total group enrollment
- Alongside Kaiser: Requires at least 50% excluding valid waivers



Sole Carrier Minimum participation of at least 10 employees enrolled

Alongside Kaiser:

- Groups required to meet minimum participation
- SIMNSA cannot be offered alongside other cross border options






Sole Carrier: 75% of all eligible employees to enroll in an employer sponsored plan, and at least 50% of all benefit eligible employees (including spousal coverage waivers) to enroll with UnitedHealthcare

Alongside Kaiser:

- 50% must enroll with UnitedHealthcare
- Minimum of 25 subscribers to set up HMO

This guide should be used only as a reference. Please refer to the carrier guidelines for additional information

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Carrier	Stand Alone	Alongside Another Carrier
	<p><b>Participation Promotion for medical contributory plans.</b></p> <p>Aetna relaxed its participation guidelines.</p> <p>Small groups enrolling 5-100 employees can now meet 25% participation.</p> <p>Standard 60% participation applies to groups enrolling less than 5.</p>	<p><b>1-4 enrolling:</b> 60% participation for 4 or less CA enrolled employees</p> <p><b>5+ enrolling:</b> 25% participation and a minimum of 5 or more CA employees enrolling in Aetna plan</p> <p>Groups offering another carrier's HMO or PPO must have a minimum of 5 employees and 25% participation in an Aetna plan.</p> <p>Employees covered by the same employer on another group policy are not considered a valid waiver.</p> <p>Employees enrolling in another carrier Alongside Aetna need the Aetna waiver form. Aetna will not accept the Alongside carrier bill or enrollment form.</p>
	<p><b>Participation for medical contributory plans</b></p> <p><b>1-14 enrolling:</b> 70% participation <b>15+ enrolling:</b> 50% participation</p> <p>Anthem may conduct periodic audits to confirm participation levels.</p> <p><b>Participation Promotion through Q2 2024</b></p> <p>25% participation for groups with 5 or more enrolled subscribers. 65% participation for groups with 4 or less enrolled subscribers</p>	<p>The owner is declining due to coverage under another entity in which he/she holds ownership.</p> <p>Dual coverage by the same employer would not be considered a valid waiver.</p> <p>Another carrier's HMO or PPO plans can be sold alongside Anthem so long as Anthem receives the required participation.</p> <p>Employees enrolling in another carrier Alongside Anthem need the Anthem waiver form. Anthem will not accept the Alongside carrier bill or enrollment form.</p> <p><b>Relaxed Participation Promotion</b></p> <p>25% participation for groups of 5 or more enrolled subscribers. 65% participation for groups with 4 or less enrolled subscribers.</p>
	<p><b>Mirror plans</b></p> <p>65% participation</p> <p><b>Off-exchange plan promotion through 12/31/24:</b></p> <p><b>1-4 enrolling:</b> 65% participation <b>5+ enrolling:</b> 25% participation</p> <p>Includes Medical, Dental, Vision, and Life</p> <p>The promotion includes mirror package.</p> <p>51% eligible employees in CA required - eligible Owners do not count towards number of eligible employees in CA</p>	<p><b>Mirror plans</b> can be offered alongside other carriers.</p> <p><b>Off-exchange plans</b></p> <p>If Blue Shield is offered alongside another carrier (Promotion through December 31, 2024)</p> <p>Relaxed Participation Guidelines:</p> <p>1-4 enrolled: 65% participation</p> <p>5+ enrolled: 25% participation</p> <p>Blue Shield must also be sole carrier when offering Dental, Vision, and Life products.</p> <p>At least 25% of the total number of eligible employees must enroll in a Blue Shield healthcare plan with no fewer than five enrolled Employees covered by the same employer on another group policy are not considered a valid waiver</p>

\*100% employee participation required with 100% employer contribution Always refer to carrier underwriting guidelines for all pertinent details. Note: Information is subject to change and carriers can request additional documents as needed.

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## Carrier

## Stand Alone

## Alongside Another Carrier



If the employer contribution is less than 100%, 75% participation is required.

4+ employees must enroll at least 75% of eligible employees in medical and 100% of eligible employees in ancillary.

Employees who waive coverage on the grounds that they have other medical coverage, including Kaiser, are not counted as eligible employees.

May offer CalCPA Health plans alongside Kaiser.

Firms may enroll in CalCPA with one eligible employee if all other employees enroll with Kaiser or have another valid waiver.



**1-2 enrolling:** 100% participation

**3-100 enrolling:** 70% participation

51% of eligible employees must reside in California

Cannot write alongside other carriers.



70% participation of eligible employees enrolled  
If the group doesn't meet participation, they may still sign up during SEP (Nov 15th - Dec 15th).

May sell another carrier alongside if 70% of eligible employees who do not have a valid waiver are enrolled with CCSB, except if the enrollment occurs during SEP. The SEP allows employers to enroll without meeting the CCSB participation requirements. If employers write non-CCSB health coverage alongside, that coverage should only include fully-insured, age-rated, ACA-compliant small group metal or small group grandfathered plans.



**Promotion through 6/30/24  
Enhanced Choice Promo:**

**1-4 enrolled:** 70% participation

**5+enrolled:** 25% participation

**Sell HMO with 6:**

**6+ enrolled:** No minimum participation

51% eligible in CA: does not require all eligible employees to reside in CA. For Enhanced Choice promo, all eligible employees declining coverage must provide a waiver including those enrolling with another carrier.

Note: Information is subject to change and carriers can request additional documents as needed.

May sell another carrier alongside Health Net so long as Health Net participation requirements are met. More than one carrier can be written alongside Health Net. Will not accept alongside carrier bill or enrollment form.

**Enhanced Choice (available through 3/31/2024):**

**1-4 enrolled:** 70% participation

Employees covered by the same employer who are on another group plan are NOT considered valid waivers.

**5+enrolled:** 25% participation

Employees covered by the same employer who are on another group plan ARE considered valid waivers.

**Sell HMO with 6 (through 3/31/2024):**

**6+ enrolled:** No minimum participation

**HMO (6+ active subscribers)**

No DE9C, attestation, prior carrier bill, nor waivers required.

Mix and match any plans from the HMO networks

Carrier	Stand Alone	Alongside Another Carrier
	<p>At least 1 eligible employee must enroll.  <b>1-100 enrolling:</b> 50% participation            50% of all eligible employees must be covered by a valid health plan            51% eligible required in CA, only 49% of enrolled can be out of state</p>	<p>At least 1 eligible employee must enroll.            Waivers are not required for employees enrolling in the alongside carrier.            Employees covered by the same employer or another group policy are considered valid waivers when offering SIMNSA or MediExcel alongside.            With PPO offering, Kaiser must be the sole carrier for medical coverage.</p> <p>Only one PPO plan may be offered in Multiple Plan Options (when offering other Kaiser Permanente Plans)</p> <p>May write alongside another carrier so long as 50% of eligible employees are enrolled in a valid health plan</p>
	<p><b>As sole carrier</b></p> <p>GM plan: 1 eligible employee</p> <p>PM, P5, and P20 plans: 3 eligible employees minimum            Small Group: 1 employee on Gold 80 and Platinum P90. 3+ required for Platinum P5 and P10            Large Group: 1 enrolled employee</p>	<p><b>Wrap alongside any other carrier</b></p> <p><b>GM plan:</b> 1 eligible employee</p> <p><b>PM, P5, and P20 plans:</b> 3 eligible employees minimum</p> <p>May sell alongside any CA HMO, PPO, and/or cross-border carrier so long as MediExcel's participation requirement is met.</p>
	<p><b>HMO</b></p> <p>1-4 subscribers: 60% participation, excluding any valid waivers.            5+ subscribers: 25% participation, excluding any valid waivers.            Valid waivers include spousal, Medicare, Medi-Cal, military, other employer-sponsored, and cross-border coverages. Individual (on-exchange or off-exchange) and COBRA coverage are not valid waivers.</p>	<p>60% of eligible W-2 employees AND a minimum of 5 enrolled with Sharp.</p> <p>Wrapping with another carrier, minimum of 5 enrolled subscribers. Multiple HMO plans are allowed.            Wrapping alongside a private or public exchange is prohibited.</p> <p>Sharp Health Plan partnership PPO product is not available alongside another carrier.</p>
	<p>At least 5 employees enrolling</p>	<p>Multiple carriers may be offered alongside with SIMNSA as the only option across the border.</p>
	<p>At least 60% participation required, excluding COBRA participants.</p>	<p>May write alongside 2 other carriers which must be staff-model carriers. This includes Chinese Community Health Plan, Kaiser, MediExcel, Sharp, SIMSA, Sutter and Western Health Advantage. May not write alongside California Choice or Covered California.</p> <p>UHC Choice Simplified Package with a staff model: 60% participation between carriers with 5 CA employees enrolling with UHC.</p> <p>UHC Multi-Choice® State Package with a staff model: 60% participation with UHC</p>

## Minimum Wage \$16.00 For All Group Sizes

Full-Time Payroll			Part-Time Payroll		
	Hours Worked	Amount Earned		Hours Worked	Amount Earned
<b>Weekly</b>	30	\$ 480.00	Weekly	20	\$ 320.00
<b>Bi-Weekly</b>	60	\$ 960.00	Bi-Weekly	40	\$ 640.00
<b>Semi-Monthly</b>	65	\$ 1,040.00	Semi-Monthly	43.334	\$ 693.34
<b>Monthly</b>	130	\$ 2,080.00	Monthly	86.667	\$ 1386.67
<b>Quarterly</b>	390	\$ 6,240.00	Quarterly	260	\$ 4,160.00



## Carrier

## Guideline for Staying With a PEO

## Guideline for Leaving a PEO

*In addition to meeting standard Underwriting Guidelines, groups must provide the following:*



Groups that are currently with a PEO acting as a co-employer are not eligible for coverage

Groups using payroll services only through a company that also offers PEO services are eligible subject to meeting the standard underwriting guidelines for eligibility. They must also submit the current prior carrier bill solely for the group and in the group's name

### 1-5 enrolling:

- Copy of the contract termination letter sent from the PEO to the employer verifying the cancellation of the leasing arrangement as well as the date
- Copy of the most current quarterly wage report filed by the PEO or at least 2 weeks of current consecutive payroll

### 6+ enrolling:

Copy of the contract termination letter sent from the PEO to the employer verifying the cancellation of the leasing arrangement as well as the date

- If the group does not have current health coverage: Copy of the most current quarterly wage report filed by the PEO or at least 2 weeks of current consecutive payroll
- If the group has current health coverage: Provide the current health coverage bill to establish group eligibility. Any employees not on the bill must have their full names written in with the reason they do not appear on the bill



Groups that are currently with a PEO acting as a co-employer are not eligible for coverage

Groups that use PEO payroll services only are eligible subject to meeting the standard underwriting guidelines for eligibility. A copy of the PEO contract confirming this is required

Provide a copy of PEO client invoice billed to the worksite business, which includes names of each employee previously leased to the worksite employer

Signed Conditions of Enrollment form will be required  
Company's first 30 days complete payroll records to be provided within 45 days of the effective date



Groups that are currently with a PEO acting as a co-employer are not eligible for coverage

Groups that use PEO payroll services only are eligible subject to meeting the standard underwriting guidelines for eligibility. A copy of the PEO contract confirming this is required

Copy of the letter sent from the PEO to the client business verifying the cancellation of the leasing arrangement will be required

If a copy of a payroll is submitted that separates the formerly leased employees by business location, the group will be considered a qualified group

## Carrier

## Guideline for Staying With a PEO

## Guideline for Leaving a PEO

*In addition to meeting standard Underwriting Guidelines, groups must provide the following:*



Sub-group's home office must be located in California

Statement of Compliance portion of the Employer Application must be signed by an authorized representative of the sub-group, not a PEO representative

PEO Sub-Group Letter is required

Quarterly Wage & Tax Report (DE9C) or payroll ledger including summary totals for the most current three months

Groups leaving a PEO on the enrollment effective date must provide:

- Explanation from the employer with a description and date of the PEO split-off scenario
- One week of payroll from the new payroll company with the balance for the month due within 30 days of the effective date

Groups that left a PEO prior to the enrollment effective date must provide:

- Explanation from the employer with a description and date of the PEO split-off scenario
- Payroll under the company (not the PEO) from start to current is required - must be at least one week

For both scenarios: If payroll is not equal to one month, group will be approved contingent on the remainder of payroll  
1-4 life groups will need at least 4 weeks of payroll prior to the requested effective date for one common-law employee



A DE9C or quarterly wage report from the PEO is required if the PEO provides them for its employer groups

If the PEO does not prepare a quarterly wage report for each employer, payroll that covers 50% of the prior calendar quarter from the PEO may be substituted

The quarterly wage report and/or payroll must demonstrate that the group meets the definition of a small employer and that the employees are eligible for coverage

A DE9C or quarterly wage report from the PEO is required if the PEO provides them for its employer groups

If the PEO does not prepare a quarterly wage report for each employer, payroll that covers 50% of the prior calendar quarter from the PEO may be substituted

The quarterly wage report and/or payroll must demonstrate that the group meets the definition of small employer and that the employees are eligible for coverage

At least two weeks of acceptable payroll under the company name, not the PEO, will also be required

## Carrier

## Guideline for Staying With a PEO

## Guideline for Leaving a PEO

*In addition to meeting standard Underwriting Guidelines, groups must provide the following:*



Groups must opt out of medical coverage through the PEO completely and may only offer health coverage outside the PEO

**1-5 enrolled:**

- Most recently filed DE9C or 3 months of group's PEO payroll subgroup or 3 months of recent invoices showing PEO, subgroup name, and co-employed individuals
- For start-up groups, 2 weeks of the group's PEO payroll subgroup or 2 weeks of recent invoices showing PEO, subgroup name, and co-employed individuals

**1-5 enrolled:**

- No DE9C or payroll required

A letter from the group stating it will no longer be leasing employees from the PEO which includes the termination date. Termination date must be prior to requested effective date

**1-5 enrolled:**

2 weeks of payroll for leased employees from the PEO

**6+ enrolled:**

No DE9C or payroll required



Groups that are currently with a PEO acting as a co-employer are not eligible for coverage

Groups that use PEO payroll services only are eligible subject to meeting the standard underwriting guidelines for eligibility

Copy of the prior carrier bill from the PEO with employee census confirming prior coverage will be required






Provide a copy of the contract termination letter sent from the PEO to the employer that verifies the cancellation of the leasing arrangements as well as the cancellation date

Provide at least two weeks of payroll from a legitimate payroll company issued in the name and Tax Identification Number of the individual employer group, not the PEO

In the event of a DE9C or payroll is unavailable, groups must provide the following:

- Copy of the six weeks of charge back invoices from the PEO to establish AB1672/SB125
- Copy of the PEO Benefit Register or prior carrier bill
- Letter from the company owner/officer stating the company has cancelled its contract with the PEO and the effective date of cancellation plus 30 days of payroll records for all employees

The employer group must've offered the employees health insurance previously through the PEO

Carrier	HMO	PPO
	2.6%	2.5%
	-0.1%	0.2%
	Varies	Varies
	Pending	Pending
	NoCal: Pending	SoCal: Pending
	NoCal: Pending	SoCal: Pending

**Carrier**

**Guidelines**



DE9C required and standard W-2 rules apply. Must be the sole carrier confirmed by an attestation form.  
Must be complete at submission with all requirements in by 12/13\* at 11:59 PM - no exceptions.  
Recertification at renewal: Yes, to ensure group meets the definition of a small employer. Ancillary coverage will follow normal guidelines for participation and contribution.



Must be the sole carrier.  
No contribution or participation requirements.  
Case submissions with all requirements must be sent to Anthem on 12/16\* by 2 PM. Approvals must be completed by 12/31/2024.  
Recertification at renewal: No



Can be written alongside another carrier's HMO only, another carrier's HMO and MediExcel only, or another carrier's HMO and SIMNSA only.  
Regular underwriting guidelines apply.  
Must be submitted to Blue Shield on 12/15\* and approved within 30 days of submission.  
Dental/Vision follow medical.  
Life does not follow medical. Recertification at renewal: At the carrier's discretion.



Must be the sole carrier.  
Cases must be submitted to CaliforniaChoice by 12/15\* for a 1/1 effective date.  
Recertification at renewal: Yes, to ensure group meets the definition of a small employer.  
Ancillary coverage will follow normal guidelines for participation and contribution.



Can be written alongside another carrier.  
Must be submitted to CCSB on 12/15\* by 5 PM.  
Recertification at renewal: CCSB does not recertify groups ever.  
Ancillary Dental: Normal Guidelines.  
Voluntary Dental: No participation or contribution requirements.



Can be written alongside another carrier.  
Cases must be submitted to Health Net on 12/15\* and must be approved by 5 PM on 1/20/2025.  
Recertification at renewal: At the carrier's discretion.  
Ancillary coverage will follow normal guidelines for participation and contribution.





Can be written alongside another carrier.  
Must be submitted to Kaiser on 12/17\* by 5 PM from Dickerson.  
Recertification at renewal: Yes, to ensure group meets the definition of a small employer.  
Ancillary coverage will follow normal guidelines for participation and contribution.




May write alongside another carrier's Staff Model carriers.  
Must be complete at submission with all requirements in by 12/16\* at 11:59 PM - no exceptions.  
Recertification at renewal: Yes, to ensure group meets the definition of a small employer.  
Ancillary coverage will follow normal guidelines for participation and contribution.


**Carrier**      **Will the carriers write a spouse-only group?**


 **No.** Spouse-only groups are ineligible for coverage.


 **No.** Spouse-only groups are ineligible for coverage


 **Yes (S-Corporations, C-Corporations & LLCs)**  
*If one spouse is not an owner and must be a W-2 employee.*

**No (Sole Props & Partnerships)**  
*Spouse-only groups without a W-2 employee are ineligible for coverage.*


 **Yes.** Owner or spouse must be a W-2 employee and both as to be working full time.


 **No.** Spouse-only groups are ineligible for coverage.

 **No.** Spouse Only groups are ineligible for coverage.

 **Yes (Corporations & LLCs)**  
If one spouse is not an owner and must be a W-2 employee

**No (Sole Props & Partnerships)**  
Spouse-only groups without a W-2 employee are ineligible for coverage.

 **No.** Spouse-only groups are ineligible for coverage.

 **No.** Spouse-only groups are ineligible for coverage.

 **No.** Spouse-only groups are ineligible for coverage.

## Carrier

## Requirements



*Note: The group cannot be comprised of owner and spouse / domestic partner only.*

- Requires an eligible W-2 employee to enroll who is not the owner and not the spouse of the owner.
- Requires two consecutive weeks of payroll records, prior to the effective date, for the eligible W-2 employee.



*Note: The group cannot be comprised of owner and spouse / domestic partner only.*

- Conditions of Enrollment/Start-Up Companies form
- 30 days of payroll (within 45 days of the effective date)
- Requires an eligible W2 employee or 2 owners on or before the requested effective date.



- Blue Shield will consider Start-Up groups that have been in business and have employed at least one eligible
- common law W2 employee for less than 6 weeks.
- Start-Up Companies/Spin Off Group Eligibility Statement will be required.
- W4 forms for all W2 employees not on payroll are required
- Groups Offering Coverage to Part Time Employees: Newly hired Part Time employees are not eligible for coverage until they meet the 50% of the prior calendar quarter rule in any group scenario



Groups established less than 90 days before the effective date will need to submit at least 30 days of -payroll records



### 1-4 Life groups (enrolling)

- The 1 common-law employee must have 4 weeks of payroll prior to the requested effective date
- 2-4 life groups (enrolling)
  - At least 1 common-law employee with a minimum of 4 weeks of payroll prior to the requested effective date. Remaining employees must be on payroll for at least 1 week on or prior to the requested effective date Remaining payroll to complete a month due by the last day of the month of the requested effective date.
  - If the owner and common-law employee are enrolling, owner documents and 4 weeks of payroll for employee are required

### 5+ Life groups (enrolling)

- Majority (3 out of 5) enrolling are common-law employees.
- Payroll from start date to current. If not available, at least 1 week of payroll is required for approval. Remaining payroll to complete a month is due by the last day of the month of the requested effective date.
- Owner docs (if owners are not on payroll with eligible wages)
- -Majority (3 out of 5) enrolling are owners.
- 1 common-law employee on payroll for 4 weeks prior to the requested



At least 1 eligible W-2 employee on payroll for a minimum of 30 days. Cannot be comprised of owner and spouse/domestic partner only.

- *Note: Groups with 2 weeks of payroll can be reviewed on an exception basis*



*Note: The group cannot be comprised of owner and spouse / domestic partner only.*

- Group size distinction for startup guidelines removed. Startup guidelines are 2 weeks of payroll, on or before the effective date, regardless of group size.

## Carrier Requirements



Note: (Sole Props & Partnerships): Owners/Partners and their Spouses/Domestic Partners do not count as the eligible employee. (Corporations & LLCs): A single owner may count as the eligible W2 employee who will appear on payroll with eligible wages.



Note: The group cannot be comprised of owner and spouse / domestic partner only.

- When written alongside another carrier, MediExcel will accept the same requirements as the other CA carrier.
- Made the Promo Permanent - Will Accept 1 enrolled EE on Plans Platinum 90 and Gold 80



Minimum eligible W-2 employee. Start-up groups require a minimum of 6 weeks of payroll.



Note: The group cannot be comprised of owner and spouse / domestic partner only.

- All groups must be true Start-Up. An existing group that just hired their first W2 is not eligible.
- The group must be in business 6 weeks prior to the requested effective date and provide at least 2 weeks of payroll.
- IRS or Secretary of State letter indicating issued tax ID number is required to support evidence of time in business.
- Evidence of time in business must also be supported by payroll records. The payroll records must cover the 2 weeks preceding the requested effective date for at least one eligible employee.
- The group must have and maintain business licenses and/or appropriate state filings allowing the company to conduct business in the state of California.
- Owner Only Start-up Groups are not eligible.



## Carrier

## Valid Waivers

**aetna**

- Other group coverage through an employer
- Enrolling as a dependent in the group health plan
- COBRA coverage with another employer
- Individual Coverage
- Medicare
- Medi-Cal
- Spousal Group Coverage
- Parental Group Coverage
- TRICARE (military coverage)

**Anthem**  
BlueCross

- Other group coverage through an employer
- Enrolling as a dependent in the group health plan
- COBRA coverage with another employer
- Individual coverage
- Medicare
- Medi-Cal
- TRICARE (military coverage)

\*Religious Waivers with written documentation

**blue**  
california

- Other group coverage through an employer
- Enrolling as a dependent in the group health plan
- COBRA coverage with another employer
- Individual coverage
- Medicare
- Medi-Cal
- TRICARE (military coverage)

**CalCPA**

- Other group coverage through an employer
- Enrolling as a dependent in the group health plan
- COBRA coverage with another employer
- Medicare
- Medi-Cal
- TRICARE (military Coverage)

**CaliforniaChoice**  
Your Health. Your Choice.

- Other group coverage through an employer
- Enrolling as a dependent in the group health plan
- COBRA coverage with another employer
- Medicare
- Medi-Cal
- TRICARE (Military coverage)

## Carrier

## Valid Waivers



FOR SMALL  
BUSINESS

- Other Group Coverage through an employer
- Enrolling as a dependent in the group health plan
- COBRA coverage with another employer
- Individual Coverage
- Medicare
- Medi-Cal
- TRICARE (military coverage)
- Coverage through a union
- Other federal or state health coverage programs other than coverage through a Qualified Health Plan (QHP) sold in the Individual Exchange



- Other Group Coverage through an employer
- Enrolling as a dependent in the group health plan
- COBRA coverage with another employer
- Individual coverage
- Medicare \*Medicade
- Medi-Cal
- TRICARE (military coverage)
- Coverage through a union



- Other Group Coverage through an employer
- Enrolling as a dependent in the group health plan
- COBRA coverage with another employer
- Individual Coverage
- Medicare
- Medi-Cal
- TRICARE (military coverage)



- Other group coverage through an employer
- COBRA coverage with another employer
- Medicare
- Medi-Cal
- TRICARE (military coverage)



- Other group coverage through an employer
- Enrolling as a dependent in the group health plan
- COBRA coverage with another employer
- Cross-border coverage
- Individual coverage
- Medicare
- Medi-Cal
- TRICARE (military coverage)



- Other group coverage through an employer
- Enrolling as a dependent in the group health plan
- COBRA coverage with another employer
- Individual coverage
- Medicare
- Medi-Cal
- TRICARE (military coverage)

## Carrier

## Guidelines



Requires W2 common law employee to enroll  
W2 cannot be an owner/officer or spouse/domestic partner of the owner/officer



W2 common law employee may waive as long as group meets all participation requirements  
W2 cannot be spouse/domestic partner of the owner/officer



W2 common law employee may waive as long as group meets all participation requirements  
W2 cannot be an owner/officer



Requires W2 common law employee to enroll  
W2 cannot be an owner/officer or spouse/domestic partner of the owner/officer



W2 common law employee may waive as long as group meets all participation requirements  
W2 cannot be an owner or spouse of the owner



W2 common law employee may waive as long as group meets all participation requirements



Requires W2 common law employee to enroll unless the group is a true Owner Only Group with no W2 common law employees  
W2 cannot be owner/officer or spouse/domestic partner of the owner/officer

