

# Small group ACA submission and underwriting requirements

**Geisinger**  
HEALTH PLAN

**The Affordable Care Act (ACA) requires health insurance carriers to follow regulations based on employer group size.**

For Geisinger Health Plan (GHP) to follow ACA regulations on group size certification, small group health coverage is offered to employers who employed an average of at least 1 but not more than 50 employees on business days during the preceding calendar year. Employer groups that employ 51 or more employees (using the average number of employee counts) do not qualify for small group coverage and must be rated as large groups. The group size certification form must be submitted with quote request.

If an employer is part of a “controlled group” of affiliated companies (determined under IRS rules based upon ownership percentages), then the entire group is treated as a single employer and the employee counts for each company in the group are combined to determine group size. This means that where an employer’s controlled group is composed of companies with different tax IDs, the employee counts from all of those companies will be totaled to determine whether they are a small or large employer.

## Submission requirements for first of the month effective date

- [Group size certification form](#) to determine group size and ACA eligibility
- [Employer group application](#)

### Employer enrollment/census

- Date of birth (including dependents)
- Dependents
- Zip code (including dependents)
- Tobacco usage
- County
- Date of hire
- [Employee subscriber application](#) or enrollment spreadsheet: for each employee planning to enroll. Contact your GHP account executive to access the enrollment spreadsheet, as it is not available to download.
- [Broker of record](#) (in addition to its inclusion on the group application)
- Confirmation of sale (CSA)  
*Note: The CSA will be generated by the GHP account executive once all required documents are submitted. It will need to be signed by the group's representative and returned prior to enrollment.*
- Tax documents as outlined below

## Tax documents

- **PA Form UC-2A (most recent quarter):** to verify group size and employees
- **If employees are not listed on PA Form UC-2A, we would need:**
  - Form W-4 or payroll records/local earned income tax withholding: to verify group employees if not listed on PA Form UC-2A
- **Schedule C (Schedule F for farms):** to verify the owner of a sole proprietorship
- **Schedule K-1:** to verify the owners of a partnership; must submit one per partner
- **PA Rev-1605 or RCT-101:** to verify corporate officers for corporations
- **Form SS-4 or PA-100 form and a new business letter with owner's signature:** to verify employees and owner(s) of a new company.
- The new business letter must be addressed to Geisinger Health Plan on company letterhead or contain the company's return address. It should state that the company is newly established and seeking to enroll in small group coverage. It must also include the requested coverage effective date plus the day's date and an authorized signature.

## Participation rules

- The group must have 1–50 total employees (full-time/part-time for all locations) as confirmed by the group size certification form to qualify for small group plans and rates.
- The group must have a physical location in our service area. See out-of-area guidelines for eligible employees below.
- Groups with 1 eligible employee can be enrolled as long as the employee is a commonlaw employee and is not the business owner, spouse of the business owner, a partner of the business owner or dependent of the business owner.
- Groups with 2–15 eligible employees must enroll a minimum of 2 employees.
- For renewing groups with 16 or more eligible employees, groups must enroll a minimum of 10 active employees.
- COBRA/Mini-COBRA: Enrollment cannot exceed 20% of the total number of subscribers, subject to the terms of the applicable COBRA/Mini-COBRA regulations.

## Guidelines for eligible out-of-area employees:

- Employees residing within 20 miles or 30 minutes (as determined by GHP) of a primary care provider (PCP) that is within the service area will be considered eligible as in-service area.
- Coverage is available for out-of-area dependents.
- Out-of-service-area coverage is available for groups with 5 or more enrolled subscribers. The number of out-of-area subscribers cannot exceed more than 40% of the total enrolled subscribers.
- Out-of-area (OOA) classes requested off-cycle would require underwriting approval.
- OOA employees who are accessing the Cigna Healthcare® PPO<sup>1</sup> Network must enroll in an All-Access PPO plan. OOA dependents can access the Cigna Healthcare PPO Network if employee resides in service area and has an HMO plan. Failure to meet these requirements and/or to provide proof may result in termination of the out-of-area division or the entire group.

## 1099 acceptance rule

We do not accept 1099s. See below for rules on employee eligibility.

## Eligible employees

Those employees who are permanent employees, working a minimum of 20 hours per week, paid in accordance with federal and state minimum wage laws, and have met the employer's new hire period. Other restrictions apply. PA Form UC-2A will be required to confirm employee eligibility.

## Non-eligible employees

1099 employees, retirees, directors, stockholders, trustees, partners or other outside consultants who are not active employees, owners not working the required number of hours, seasonal workers and those employees that do not meet the eligibility requirements as set forth in the underwriting requirements.

## Eligibility verification for township supervisors

Supervisors while in office or while in the employ of the township are eligible for inclusion in township-paid insurance plans whether or not they are employed by the township. We would require a copy of the letter requesting participation presented to the board of supervisors and Form MS-914. Minimum contribution requirements would apply.

## Group contribution

The group agrees, at a minimum, to contribute 50% of the cost of the employee-only rate for the lowest benefit plan offered.

## Plan offering quantity limitations

An employer can choose up to three plans to offer to employees.

## Exclusive carrier rule

GHP must be the exclusive carrier for groups with 1–50 employees.

## Employee carve-outs

Union employees may be carved out and they will not be considered as an eligible employee. However, union employees will be considered towards the total employee count. Other carve-outs are not allowed (e.g., management only, salaried vs. hourly).

## New business submission timelines

Reach out to your account executive. To ensure member ID cards reach the member by the effective date, submission deadline for new business is the last business day on or before the 15th of the month prior to the requested effective date. If the required information is not received by the submission deadline, the group's effective date and rates may be subject to change.

## Termination requirements

Termination requests require 30 days' notice for off-cycle terminations and 15 day notice for renewal effective date terminations. Groups will not be permitted to terminate retroactively.

If a group is terminated for non-payment of premium, there is no longer a waiting period to reapply for coverage with GHP.

<sup>1</sup>The Cigna Healthcare® PPO Network refers to the health care providers (doctors, hospitals, specialists) contracted as part of the Cigna Healthcare PPO for Shared Administration. Cigna Healthcare is an independent company and not affiliated with Geisinger Health Plan. Access to the Cigna Healthcare PPO Network is available through the contractual relationship between Geisinger Health Plan and Cigna Healthcare. All Cigna Healthcare products are provided exclusively by or through operating subsidiaries of The Cigna Group, including Cigna Health and Life Insurance Company. The Cigna Healthcare name, logo, and other marks are owned by Cigna Intellectual Property, Inc.

Geisinger Health Plan may refer collectively to health care coverage sponsors Geisinger Health Plan, Geisinger Quality Options, Inc., and Geisinger Indemnity Insurance Company, unless otherwise noted. Geisinger Health Plan is part of Geisinger, an integrated health care delivery and coverage organization.