



Small Employer Group Enrollment Guidelines



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HEALTH PLANS®

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Rocky Mountain Health Plans enrollment guidelines for small employer groups are divided into two employer size categories:

Small Employer Groups — Guaranteed Issue

A small employer is a person, firm, corporation, partnership or association actively engaged in business that, on at least 50 percent of its working days during the preceding calendar quarter, employed not more than 50 employees, the majority of whom were employed within Colorado. In order to be a “small employer,” the firm, corporation, partnership or association cannot have been formed primarily for the purpose of purchasing insurance. If the small employer was not in existence throughout the preceding calendar quarter, whether the employer is a small employer will be determined based on the average number of employees the employer is reasonably expected to employ on its working days in the current calendar year.

Within the Small Employer Group segment, there are two sizes of groups:

- 1) Groups of 2-50 employees; and
- 2) Business Groups of One.

Groups of 2-50 Employees — Not Subject to Medical Underwriting

For small employer groups of 2-50 employees, two rating methodologies apply:

- 1) Employer groups with 2-9 employees are rated with age-branded rates. An employee whose birthday results in an age band change during the course of the contract period, will be reflected on the employer group’s premium statement as a rate change effective the first of the month following the employee’s birthday.
- 2) Employer groups with 10-50 employees have the choice between age-branded and composite rates.

Final rates may vary from the community rate based on the Standard Industry Code of the business. In specific cases, an additional 1 percent to 35 percent surcharge may be applied to the initial quoted rates, as allowed by state law.

Business Groups of One (BG1) — Subject to Medical Underwriting (Except for Basic and Standard Plans)

An individual, sole proprietor, or single full-time employee of a subchapter S corporation, C corporation, nonprofit corporation, limited liability company or partnership who works at least 24 hours or more per week on a permanent basis. A BG1 must have carried on significant business activity for at least one year prior to applying for coverage. This same business must provide proof of gross income, on IRS forms as described in this reference guide, demonstrating that the individual derived income from the business activities of the BG1 for at least one year out of the most recent consecutive three year period sufficient to pay the annual health insurance premiums of the selected RMHP plan. Age-banded premium rates will be used.

Employer Group Product Lines

Rocky Mountain Health Plans offers a broad selection of plan designs to accommodate your employer group needs. For more specific and detailed information about these products, contact your RMHP account executive or check our website, rmhp.org.

Plans Underwritten by Rocky Mountain HealthCare Options

- Rocky Mountain Good Health PPO Plans
- Rocky Mountain Good Health Savings Plans
- Rocky Mountain Core Plus Hospital
- Rocky Mountain VISTA PPO
- PPO Standard Health Benefit Plan for Colorado
- PPO Basic Limited Mandate Health Benefit Plan for Colorado

Plans Underwritten by Rocky Mountain HMO

- Rocky Mountain Good Health HMO Plans
- Rocky Mountain Good Health Classic HMO Plans
- Rocky Mountain Good Health Savings Plans
- Rocky Mountain VISTA HMO
- HMO Standard Health Benefit Plan for Colorado

- HMO Basic Limited Mandate Health Benefit Plan for Colorado

Application Deadlines for Small Employer Groups

- 5th of the month prior to requested enrollment date for BGIs
- 15th of the month prior to requested enrollment date for groups of 2–50

(If the deadline falls on a weekend or holiday, deadline will be the first business day thereafter.)

Coverage Effective Date

With payment of premiums, a new group’s coverage will be effective the 1st of the month following the application deadline. (All necessary documentation must be received and approved by the deadline; otherwise, coverage will be deferred until all documentation is received and approved.)

Prior Deductible Credit

RMHP will provide credit for deductibles met under a prior group plan for the current calendar year. Documentation of deductible amounts paid from the prior group health plan is required for each Member.

Underwriting Rights Reserved

The health plans reserve the right to decline and/or defer any new business application that, in their opinion, does not meet underwriting criteria, except where prohibited by law.

Pre-Existing Condition Limitations Applied to Small Group Business

RMHP will apply a limitation period for coverage for preexisting medical conditions of up to 12 months from the Member’s enrollment date for BGIs and up to 6 months from the Member’s enrollment date for groups with 2-50 employees. This limitation period could be reduced or eliminated for each family member who has prior creditable coverage. Creditable coverage includes health care coverage provided under Medicare, Medicaid, CHP+, an employee welfare benefit plan or group health insurance plan, an individual or group health benefit plan, or a state health benefits risk pool (including CoverColorado), health coverage offered under

chapter 89 of title 5 or chapter 55 of title 10 of the United States Code, a medical care program of the Indian Health Service, a health benefit plan under the Peace Corps Act. Creditable coverage is valid if it was continuous and ended within 90 days prior to enrollment. Proof of prior creditable coverage must be submitted with the enrollment materials.

The preexisting condition limitation period does not apply to the RMHMO HMO Basic Limited Mandate Health Benefit Plan for Colorado and the RMHMO HMO Standard Health Benefit Plan for Colorado. It also does not apply to pregnancy, a newborn child, a newly adopted child, a child placed for adoption, or a child who is under 19 years of age.

Employer Group Enrollment Guidelines

The following documentation is required when submitting an application

- Groups of 2–50 Eligible Employees
- Group Application
- 1st Month’s Premium
- Proof of Creditable Coverage (Certificates of Creditable Coverage issued by previous health coverage carriers, detailed premium statement listing employee names for most current month from prior carrier or other proof as recognized under federal law)
- Tax & Wage Documentation (see Tax & Wage Requirements)
- Uniform Employee Applications
- Previous Health Insurance Information (found on page three of Uniform Employee Application)
- Waivers (for eligible employees declining coverage because they have individual plan coverage, include copy of other coverage ID card.) Waivers are on page two of the Uniform Employee Application.
- Dependent Waivers (include spouse waiver if both are employed by same company and enrolling separately). Waivers are on page two of the Uniform Employee Application.
- Common Law Spouse Forms, if applicable

Documentation requirements continued...

- Domestic Partner Affidavit, if applicable
- Disenrollment Forms, if applicable (for employee cancelling other RMHP coverage)
- COBRA/Continuation of Coverage Forms (Employer group must notify all participants of the plan change)
- A list of all eligible employees and dependents

Tax and Wage Documentation

- For groups with 2-50 eligible employees, RMHP requires the Unemployment Insurance Tax Report (UITR) and the supporting Quarterly Report of Worker Wages. Each applying employee must appear on UITR showing income of at least minimum wage for the established eligibility hours. For employees not appearing on the UITR, write name on UITR and submit proof of current employment (example: paystub, W4). Number of hours worked per week by each employee must also be written on the UITR.
- For groups with 2-50 eligible employees with only one employee enrolling for coverage in the health care plan, the employer must submit the two most recent quarterly state Unemployment Insurance Tax Reports (UITRs) to substantiate the employer had two or more eligible employees working a minimum of 24 hours a week.

If the owner of the business does not appear on the UITR, the following documents will be required, listed in order of priority:

- W2 form — if not available, RMHP will accept:
- Owner tax schedule that applies (i.e., C, E, F, or SE) — if not available, RMHP will accept
- Copy of owner draws
- If none of the above items are available, RMHP requires a copy of the Articles of Incorporation along with other documentation to substantiate eligibility for group coverage. Please contact your RMHP Account Executive to determine the specific documentation that should be submitted with your application.



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Business Groups of One (BG1)

- Uniform Employee Application, including completed Health Questionnaire
- 1st Month's Premium
- Current Physical Exam Records and test results (within the past 12 months) for applicants 45 years or older
- Attestation for BG1
- Proof of Creditable Coverage (Certificates of Creditable Coverage issued by previous health coverage carriers, detailed premium statements listing employee names for up to past six consecutive months or other proof as recognized under federal law)
- Tax & Wage Documentation as shown in the chart below.
- Waiver Form (for eligible dependent declining coverage). Waivers are on page 2 of the Uniform Employee Application.
- Open Enrollment Certification Form (Basic & Standard Health Benefit Plans)
- Common Law Spouse Form, if applicable
- Domestic Partner Affidavit, if applicable
- Disenrollment Form (for employee cancelling other RMHP coverage)

Tax and Wage Documents Required for Business Groups of One	
<input type="checkbox"/> C Corp	<input type="checkbox"/> Company Form 1120 <input type="checkbox"/> Owner Form 1040, pages 1&2 <input type="checkbox"/> Owner Schedule E
<input type="checkbox"/> S Corp	<input type="checkbox"/> Company Form 1120S <input type="checkbox"/> Company Schedule K1 <input type="checkbox"/> Owner Form 1040, pages 1&2 <input type="checkbox"/> Owner Schedule E
<input type="checkbox"/> Partnership or LLC	<input type="checkbox"/> Company Form 1065 <input type="checkbox"/> Company Schedule K1 <input type="checkbox"/> Owner Form 1040, pages 1&2 <input type="checkbox"/> Owner Schedule E <input type="checkbox"/> Owner Schedule SE
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Owner Form 1040, pages 1&2 <input type="checkbox"/> Owner Schedule C <input type="checkbox"/> Schedule SE
<input type="checkbox"/> Nonprofit	<input type="checkbox"/> Organization Articles of Incorporation <input type="checkbox"/> Organization Form 990 <input type="checkbox"/> W2s or paystub with deductions for each employee (most current three months)
<input type="checkbox"/> Farm	<input type="checkbox"/> Company Form 943 <input type="checkbox"/> Owner Form 1040, pages 1&2 <input type="checkbox"/> Owner Schedule F <input type="checkbox"/> W2s or paystub with deductions for each employee (most current three months)
RMHP reserves the right to require additional tax & wage documentation for any group size	

This is a general list of documents that may be required. The health plans reserve the right to request additional information as deemed appropriate or as provided for in regulations of the Division of Insurance and Colorado state law and other governing authorities that may apply to each case.

General Small Employer Group Enrollment Guidelines

Participation Requirements

The minimum requirement is 75 percent of all eligible employees must participate in the plan.

Participation requirements in the Core Plus Hospital Plan are different than the other plans. When the Core Plus Hospital Plan is offered as a single option, minimum participation is 60 percent of all eligible employees. When it is offered as a choice for Member Options, the requirement is 75 percent participation in all plans offered.

Eligible employees waiving coverage for reasons other than having other group creditable coverage will be counted in determining participation requirements. Any eligible employee waiving group coverage because he or she is already covered by a group or by an individual plan that has been consistently maintained and that was in force prior to the employee's eligibility for group coverage will not be counted to meet participation requirements. RMHP will request a copy of their Member ID or billing statement to verify enrollment date on the Individual plan.

The employer group specifies how many hours per week an employee must work to be eligible, however, eligible employees must have a regular work week of at least 24 hours per week. Married employees can choose to enroll as subscriber and dependent, rather than as two separate subscribers. The spouse with the birthday earliest in the calendar year must be enrolled as the subscriber.

Contribution Requirements

The employer must contribute at least 50 percent of the employee's single rate. In the case of age-banded rates, 50 percent contribution is based on the single rate of each age bracket.

The Patient Protection and Affordable Care Act (PPACA) introduced nondiscrimination rules to fully-insured health plans for new and renewing groups effective October 1, 2010. RMHP participation and contribution requirements do not ensure employer compliance with PPACA. Please work with your RMHP Account Executive for more information on this important rule.

Residency Requirements

Employees must either reside or work in our service area to be eligible for enrollment and to continue receiving benefits, unless enrolled in Good Health National Access.

Good Health National Access Available for HMO & PPO Employer Groups

Through our partnership with MultiPlan/PHCS, national provider access is available to:

- Eligible dependents of employees who live outside of Colorado
- Employer groups with employees who live and work out of state

A maximum of 15 percent of enrolled employees can be covered outside of Colorado.

Employees and their dependents may enroll in Good Health National Access at the option of the employer. The employer is not required to allow enrollment in Good Health National Access.

Geographic Locations

Rocky Mountain Health Plans is a Colorado health carrier that offers health coverage in all counties of Colorado. Employer groups with more than 50 percent of their employees working in Colorado may apply for coverage through RMHP.

Small Employer Groups that have offices in more than one location in Colorado may apply to RMHP as a carrier for all locations or for a specific location subject to underwriting review and approval. When applying for a specific location, all eligible employees can only be offered RMHP. RMHP will not co-exist with another health plan in the small group market.

Rates will include the geographic factor based on the main Colorado physical location of the business.

Multiple Option Offerings

Small employer groups with five or more employees enrolling have the option of a multiple plan choice arrangement called the Good Health Member Option plans. Employers may select two or three plans to offer to employees. The plans include HMO, PPO, and HSA-eligible Health Plan options. Certain designated plans may be offered with the Core Plus

Hospital Plan. If three plans are offered, at least one of the plans must be an HSA plan. For more information about the Good Health Member Option plans, contact your RMHP account executive or check our website at rmhp.org.

Use our website at rmhp.org

To get up-to-date application or enrollment forms, Colorado Plan Description Forms, product information, see our drug formulary, view our provider directory, or to e-mail our sales or servicing staff, visit our website at rmhp.org.

Colorado. Where formal wear means ironing your jeans.



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We're a Colorado health care company. So it just makes sense to give the people who live here a plan that understands local needs. It stands to reason that we put people before profits. And it seems right that health care decisions stay between you and your doctor. That's not so hard to understand.



For more information visit www.rmhp.org or call 970-248-5066 or 800-274-5186



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