


Union Carve Out Guidelines for Supported Small Group Carriers



Union vs. Non-Union carve-outs will be considered *guarantee issue* when proof of coverage is provided for the Union Employees

- ♦ Acceptable proof of prior coverage is a copy of the health care billing statement for the previous month
- ♦ Aetna must enroll and maintain a minimum of 8 employees who reside within Aetna's California Network Service Area
- ♦ Eligibility for union carve-outs is based on the number of non-union employees
- ♦ Total group size of 200, with >50 non-union would be considered guarantee issue
- ♦ Groups with more than 50 employees are required to get a declination letter from Aetna Middle Market and will be considered for *non guarantee issue*

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Standard underwriting guidelines will apply to Union and Non-Union groups if Union employees do not have access to health coverage through a Union Trust Fund

- ♦ Blue Shield offers special arrangements to Union vs. Non-Union Groups when:
 - Union members can receive health coverage through a Trust Fund established by a collective bargaining agreement
 - BSC offers coverage to the Non-Union employees only
- ♦ Small Employer Groups (When both Union and Non-Union eligible employees does not exceed 50)
 - The employer can apply for *guarantee issue* coverage for the Non-Union population
 - Only eligible Non-Union employees will be counted for purposes of minimum enrollment and participation guidelines
 - The employer must provide the following:
 - A copy of the collective bargaining agreement showing the employer pays contributions to the Trust Fund
 - The statement of ERISA Rights from the Union Trust Fund Summary Plan Description
- ♦ Other employer groups (When both Union and Non-Union eligible employees is 51-299)

- The employer can apply for coverage on *a non-guarantee issue* basis
- Only Non-Union employees can be covered
- The following participation requirements must be met:
 - Minimum of 8 employees must enroll
 - BSC must be the only employer's health coverage carrier for the Non-Union population
 - Employer groups enrolling under 15 Non-Union employees must provide individual health statements
 - Groups enrolling 15 or more Non-Union employees will be rated using the 15-50 Employer Questionnaire
 - The group must provide a copy of the collective bargaining agreement showing that the employer pays contributions to the Trust Fund as well as the Statement of ERISA Rights from the Union Trust Fund Summary Plan Description
 - An offer of coverage is subject to underwriting approval



- ♦ Available for groups with 2-50 eligible employees
- ♦ Must meet the 75% participation requirement
- ♦ The employer must provide a signed and dated letter on company letterhead confirming:
 - The class description
 - Verifying that no other group medical coverage is being offered to the otherwise eligible employees excluded by the class description
 - Union/Non-Union requires a copy of the Union bill
- ♦ Union employees are not considered eligible; therefore UHC will only write the Non-Union employees
- ♦ Groups will be considered *guarantee issue*



- ♦ CaliforniaChoice and KP Choice do not allow carve-outs, however they do not consider Union employees eligible, therefore they will write Non-Union employees. A copy of the Union bill will be required at underwriting.

**Please contact your local RBG Representative or our Underwriting Department for more details. Additional restrictions and guidelines may apply.*

Rogers Benefit Group Sacramento
6540 Lonetree Boulevard Suite 100
Rocklin, CA 95765
Phone: (866) 405-2790
Fax: (916) 960-0420

<http://sacramento.rogersbenefit.com/>

E-Mail sacramento@rogersbenefit.com