



PEO sub/hybrid groups are eligible to enroll with Anthem Blue Cross:

Groups currently with a PEO, that chose to remain in the PEO for various services, must meet the following criteria:

- The PEO sub-group must qualify and enroll on a stand-alone basis, separate from the PEO.
- *Employees of the PEO are not eligible to enroll in the sub-group.
- The principal, business address of the sub-group must be in California and indicated as such on the Employer application.
- General Agreements, Section K of the Employer Application must be signed by an authorized representative of the sub-group, not the PEO.
- COBRA provisions are determined by the sub-group's size only.
- A PEO sub-group letter/attestation must be included with the new group submission paperwork.
- In lieu of a DE9C, the sub- group may submit **either** payroll records for the most current 3-month period; including the following: sub-group company name, employee names, social security numbers, wages, withholdings and summary totals; or a copy of most recent PEO invoice including the same information (sub-group company name, employee names, social security numbers, wages, withholdings and summary totals).

Spinoff Groups leaving a PEO employee leasing arrangement are subject to Startup Company underwriting guidelines including:

- A PEO Agreement must be terminated at the time of approval.
- Employees will retain their original hire dates.
- Complete and submit a *Conditions of Enrollment/Start-up Companies/PEO Spin-Off Groups* form.
- Standard group eligibility requirements apply-refer to group eligibility section.
- Group must provide a copy of the PEO client invoice billed to the worksite business, which includes the names of each employee previously leased to the worksite employer.

*An employee of the PEO for purposes of this guideline are defined as follows:

1. An employee working in service and conducting business on behalf of the PEO entity itself (i.e., an employee of ADP Total Source, Emplicity, TriNet, Paychex, etc.)
2. A leased employee
3. An employee of a co-employment arrangement with the PEO is an eligible employee .