

Carrier	Guideline
<p><b>Aetna</b></p>	<p><b>Guideline For Staying With a PEO:</b></p> <ul style="list-style-type: none"> <li>• Groups that use the services of a PEO generally do not meet the definition of a small employer as the transfer of employees to the PEO in effect ends/severs the employer employee relationship.</li> <li>• A group that is currently with a PEO that offers health coverage through the PEO to any members are not eligible for coverage with Aetna.</li> <li>• Groups currently with a PEO who indicate that health coverage is not available through the PEO must provide a letter from the PEO indicating that health coverage is not available.</li> <li>• Groups enrolled with a PEO in any type of co-employer relationship are not eligible for coverage.</li> </ul> <p><b>Guideline For Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• If the group has terminated the contract with the PEO, they must provide a copy of the contact termination letter from the PEO, and the letter must verify the cancelation of the leasing arrangement and the date of cancelation of the contract.</li> <li>• If a Quarterly Wage and Tax statement is not available, then a minimum of 2 weeks of payroll may be accepted to establish client's eligibility.</li> <li>• Groups using only payroll services from a PEO are eligible subject to meeting all standard underwriting guidelines such as eligibility and participation. Most recent Quarterly Wage &amp; Tax Statement or prior carrier bill required to validate that they are not part of a PEO.</li> </ul>
<p><b>Anthem</b></p>	<p><b>Guideline For Staying With a PEO:</b></p> <ul style="list-style-type: none"> <li>• The PEO sub-group must qualify &amp; enroll on a stand-alone basis, separate from the PEO. Employees of the PEO are not eligible to enroll.</li> <li>• The business address of the sub-group must be in California as stated on the employer application.</li> <li>• General Agreement (Section K) of the master application must be signed by an authorized representative of the sub-group (not the PEO).</li> <li>• COBRA provisions are determined by the sub-group's size only.</li> <li>• A PEO sub-group letter/attestation must be included with the submission paperwork.</li> <li>• In lieu of a DE9C, the sub-group may submit either payroll records for the most current 3 month period including the sub-groups name, employee names, social security #s, wages, withholdings &amp; summary totals; or a copy of the most recent PEO invoice including this same information.</li> </ul> <p><b>Guideline For Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• If the client terminates their relationship with the PEO, then they may apply for coverage with Anthem and must provide a copy of PEO client invoice billed to the worksite business, which includes the names of each employee previously leased to the worksite employer and a copy of the letter of cancelation from the PEO.</li> <li>• Conditions of Enrollment form/Start Up Companies/PEO Spin-Off Groups form must be completed with date of contract cancelation, and group must provide first 30 days complete payroll records for all employees within 45 days of the effective date.</li> </ul>
<p><b>Blue Shield</b></p>	<p><b>Guideline For Staying With a PEO:</b></p> <ul style="list-style-type: none"> <li>• A business leasing employees from a PEO cannot cover these employees under Blue Shield coverage.</li> </ul> <p><b>Guideline For Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• Small employer groups, though, that have recently canceled their contract with a PEO may be considered for coverage as a qualified small employer pursuant to small group rules if they can provide the following:</li> <li>• A copy of the letter sent from the PEO to the client business verifying the cancellation of the leasing arrangement.</li> <li>• A payroll register from the PEO company that separates the formerly leased employees by business location.</li> <li>• A W-4 may be required for any enrolling employee not on the payroll report from the PEO.</li> </ul>
<p><b>CalCPA Health</b></p>	<p><b>Guideline For Staying With a PEO:</b></p> <ul style="list-style-type: none"> <li>• A business leasing employees from a PEO generally will not be eligible for coverage under CalCPA. However, these groups may be considered by CalCPA on a case by case basis.</li> </ul> <p><b>Guideline For Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• For a group who has terminated their agreement with a PEO, CalCPA will consider them for coverage with all regular enrollment documentation. If the client does not have a quarterly wage &amp; tax statement at the time of application, they may apply with one payroll cycle of payroll in their own name (not the PEO). Payroll must be provided within 30 days of the effective date, and a copy of their 1st filed quarterly wage &amp; tax statement will be required at the end of the quarter.</li> </ul>

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CaliforniaChoice	<p><b>Guideline For Staying With a PEO:</b></p> <ul style="list-style-type: none"> <li>• A PEO sub-group may qualify and enroll on a stand-alone basis if they can satisfy and provide the following: <ul style="list-style-type: none"> <li>• The sub-group's home office must be located in California, and the address on the employer application must be the sub-groups physical location.</li> <li>• PEO sub-group letter required.</li> <li>• The Statement of Compliance portion of the employer application must be signed by an authorized representative of the sub-group, not a PEO representative.</li> <li>• In lieu of a DE9C, the group may submit a payroll ledger for the most current 3 months to include sub-group company name, payroll period, employee names, social security numbers, wages, withholdings and summary totals.</li> <li>• Most recent PEO invoice is required and must match the payroll salary information.</li> </ul> </li> </ul> <p><b>Guideline For Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• For a client terminating their PEO arrangement, a letter from the client is required explaining that they have left the PEO with the date that they left in addition to payroll from their own payroll company from the date they left the PEO to current (must be at least 1 week).</li> <li>• If payroll from the client's payroll company is not available yet, then the last payroll run from the PEO &amp; matching invoice will be required.</li> <li>• In both cases, if payroll from the client's payroll company is not equal to one month at submission, then client will be approved contingent upon receipt of one full month of payroll within 30 days of effective date.</li> <li>• For groups of 1 to 4 lives, client must provide at least 6 weeks of payroll on one common law employee.</li> </ul>
Cigna + Oscar	<p><b>Guideline For Staying With a PEO:</b></p> <ul style="list-style-type: none"> <li>• Employees associated with a PEO are employed by the group listing the employees on its DE9C. Employers who lease employees from a PEO may not cover these employees if the employees do not appear on the group's tax documents.</li> </ul> <p><b>Guideline For Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• If a group terminates their agreement with a PEO and re-employs the leased employees, they must meet the employee eligibility criteria. Additionally, the following documentation is required: at least 2 weeks payroll documentation for all enrolling employees and letter from the PEO or a screenshot from the PEO web portal indicating the date that membership in the PEO was canceled.</li> </ul>
Covered California for Small Business	<p><b>Guideline for Staying With or Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• PEO sub-groups are eligible to enroll in Covered California for Small Business</li> <li>• Most recent PEO payroll invoice will be accepted in lieu of a DE9C or payroll records. All other submission requirements will apply.</li> </ul>
Health Net	<p><b>Guideline for Staying With or Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• Health Net does not require a client to terminate its relationship with a PEO in order to offer coverage through Health Net to its employees.</li> <li>• Client must submit the quarterly wage report prepared by the PEO. If the PEO does not prepare a quarterly wage report for each employer, then the most current 2 weeks of payroll from the PEO may submitted instead.</li> </ul>
Kaiser Permanente	<p><b>Guideline For Staying With a PEO:</b></p> <ul style="list-style-type: none"> <li>• Kaiser may consider employees covered by a co-employment relationship with a PEO to be eligible if certain conditions can be met.</li> <li>• Client must satisfy small group size requirement of 1-100 employees for all employees in and out of the PEO arrangement, &amp; employees may only be covered by the health plan offered by the client employer.</li> <li>• Employees may be listed on either the client's or the PEO's DE9C, and client must provide a copy of their PEO sub-group payroll or invoices for the last 3 months showing names of the PEO &amp; sub-group &amp; all co-employed employees.</li> <li>• For a start up, client must provide a copy of their PEO sub-group payroll and invoices for the last 4 weeks showing the names of the PEO &amp; sub-group &amp; all co-employed employees.</li> </ul> <p><b>Guideline For Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• For clients leaving a PEO arrangement, they must provide a copy of a letter on their letterhead or a copy of the letter from the PEO confirming termination of the leasing agreement, along with appropriate business documentation, such as a business license, verifying the business entity.</li> <li>• Client must also provide a copy of their PEO sub-group payroll or invoices for the last 4 weeks showing the PEO sub-group name &amp; all co-employed employees.</li> </ul>
MediExcel	<p><b>Guideline for Staying With or Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• MediExcel will accept a groups either staying with their current PEO arrangement or who are terminating their contract with their PEO, as long as they can provide payroll records verifying all current employees.</li> <li>• If the client terminates their relationship with the PEO, then they may apply for coverage with MediExcel &amp; must provide a copy of the cancelation letter sent to the PEO along with a current payroll register from the PEO.</li> </ul>

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<p><b>Sharp</b></p>	<p><b>Guideline For Staying With a PEO:</b></p> <ul style="list-style-type: none"> <li>• Sharp will accept groups staying in a PEO arrangement as long as they meet Sharp's small group underwriting guidelines, and employees are working full time and are only being offered coverage through Sharp (not through the PEO).</li> <li>• Employees may be listed on either the group's DE9C or the PEO's DE9C. If the group is providing the PEO's DE9C, they must also provide a copy of the groups's PEO sub-group payroll or invoices for the last three months showing the PEO and sub-group's names and the names of employees to be insured.</li> <li>• If the group is a start up as well, they must provide at least two weeks of the PEO sub-group payroll and invoices showing the PEO and sub-group's names and the names of employees to be insured.</li> </ul> <p><b>Guideline For Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• For groups breaking away from a PEO to be newly considered for coverage through Sharp, client may provide the group's payroll from their payroll company or the PEO's payroll. Must meet all other small group requirements.</li> <li>• For groups breaking away from a PEO that are currently covered by Sharp, no additional documentation will be required.</li> </ul>
<p><b>Sutter Health Plus</b></p>	<p><b>Guideline For Staying With a PEO:</b></p> <ul style="list-style-type: none"> <li>• A business leasing employees from a PEO may be considered on a case by case basis, and coverage will depend on what service agreements the company has with the PEO. All of these type of cases must be reviewed case by case with SHP underwriting.</li> </ul> <p><b>Guideline for Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• If the client terminates their relationship with the PEO, then they may apply for coverage with Sutter Health Plus and must be able to provide all standard documentaton for a new group.</li> </ul>
<p><b>UnitedHealthcare</b></p>	<p><b>Guideline For Staying With a PEO:</b></p> <ul style="list-style-type: none"> <li>• UHC will offer coverage to a group that utilizes the services of a PEO for payroll purposed only as long as the PEO does not act as a "co-employer". UHC will only enter into a contract with the client company of the PEO.</li> <li>• In this case, the client company must meet the definition of a 1-100 small employer and UHC may be sold alongside a staff model HMO carrier.</li> <li>• If the employer group currently has UHC health coverage sponsored through the PEO that is covered as a current active UHC mid-market group, then they will not be eligible for coverage unless they terminate their coverage with the PEO.</li> <li>• In addition to all other standard business documentation, the following is also required: a payroll report from the PEO or payroll record service issued on behalf of the individual employer in the name &amp; tax ID # of the individual employer. If they cannot provide this, then a co-employer relationship will be determined to exist and they will not be eligible to apply for coverage with UHC.</li> </ul> <p><b>Guideline For Leaving a PEO:</b></p> <ul style="list-style-type: none"> <li>• An employer group that dissolves its relationship with the PEO and reestablishes the employee/employer relationship will be considered for small group coverage effective on or after the termination date of the relationship with the PEO.</li> <li>• The employer group must meet the definition of an AB1672/SB 125 employer &amp; must have maintained 1-100 employees for 50% of the previous calendar quarter or calendar year to be considered guarantee issue.</li> <li>• A copy of the prior carrier bill from the PEO with the employee census confirming prior coverage is required. a copy of the contract termination letter sent from the PEO to the client business generated by the PEO confirming the cancelation of the leasing arrangement and the cancelation date.</li> <li>• At least 2 weeks of payroll from a legitimate payroll company for the employer group is required &amp; must be issued in the name and tax ID # of the individual employer group (not the PEO's). If 2 weeks of payroll in the employer group name is not available yet, then a copy of 6 weeks of charge back invoices from the PEO are required with a letter from the company owner/officer stating the company has canceled its contract with the PEO and what date that was effective.</li> <li>• Coverage will be contingent in this case up providing 30 days of payroll within 45 days of the effective date. The employer group must have offered health insurance to the employees previously through the PEO.</li> </ul>

Data provided here is for informational purposes only, please confirm with carrier for final submission criteria and deadline updates.  
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