

Large Group Underwriting Guidelines



Employer Eligibility

- Must have a physical address in AvMed Health Plans' Service Area.
- Must have, and be willing to prove, the existence of an employer/employee relationship (employee leasing companies and PEOs are ineligible for coverage).
- Must meet or exceed AvMed Health Plans' minimum participation and employer contribution requirements.

Common Ownership

- Two or more groups can be considered one group for rating purposes if they have the same Federal Tax ID and UCT-6. Otherwise, combined rating will only be allowed subject to receipt of a signed affidavit attesting to at least one of the following: (i) the companies are eligible to file as one employer under Section 414 of the Internal Revenue Code; (ii) the companies meet the definition of a single employer under ERISA; or (iii) the companies are eligible to file taxes as a single employer under state law.

Employer Contribution Requirements

- The employer must contribute a minimum of 50% of the single premium rate.
- The employer may fund up to 50% of the employee's deductible for the CDHP/HDHP plan designs.

Participation Requirements

- For exclusive accounts, 75% of all eligible employees, excluding those with qualifying other coverage, and no fewer than 50% of all eligible employees, including those with qualifying other coverage, must enroll in the AvMed Health Plans' product offering(s).

Quote Submission Requirements

- Census (including COBRA eligibles & Retirees, if applicable): eligibility status, age/date of birth, date of hire, gender, dependent status, and home zip code.
- Current rates and benefits (Renewal rates and benefits, if available).
- Completed Employer Risk Questionnaire signed and dated by an authorized company representative.
- Claims experience including shock claims information, if available (mandatory for groups of 400 or more).
- Miscellaneous Information: 5-year carrier history and employer contribution methodology.

Employee Eligibility

- Eligible employees are those employees that are permanent and work on a full-time basis with a normal workweek of at least 25 hours, that live or work in AvMed Health Plans' Service Area (some exceptions apply), and that have met any authorized waiting period requirements.
- Coverage must be extended to all employees meeting the underlying conditions.
- Part-time, temporary, seasonal or substitute employees are not eligible for coverage.

Domestic Partner Coverage

- Domestic Partner coverage is available as a separate eligibility rider with an associated premium charge.

COBRA-Eligible Employees

- COBRA-eligible employees are not included when determining group size, however, they are included in the medical underwriting of the group.

Retiree Coverage

- Retiree coverage is available subject to underwriting approval.

Eligibility Restrictions

- No more than 10% Cobra
- No more than 10% Retirees
- No more than 5% Out-of-State

Multi-Option Offerings

- Dual Option coverage is available to groups with 51 or more eligible employees.
- Triple Option coverage is available to groups with 200 or more eligible employees.

Duplicate Quotes

- AvMed Health Plans will release duplicate rates if there are no material differences in the information submitted by competing agents that would cause the risk or premium to vary.