

## SMALL GROUP PARTICIPATION AND CONTRIBUTION GUIDELINES FOR GROUPS WITH 2 TO 50 ELIGIBLE EMPLOYEES

### STANDARD PARTICIPATION GUIDELINES

### STANDARD EMPLOYER CONTRIBUTION GUIDELINES

<p><b>Medical Coverages HMO, POS, PPO and Indemnity (Review state specific rules below for site variations)</b></p>	<ul style="list-style-type: none"> <li>• Eligibles = Total number of individuals eligible for the plan as defined by SGR regulations.</li> <li>• <b>Groups with 2 to 9 Eligible Employees</b> 100% of eligibles, excluding spousal waivers, must participate in Aetna's plan.</li> <li>• <b>Groups with 10 or more Eligible Employees</b> 75% of eligibles, excluding spousal waivers, must participate in Aetna's plan. In addition, 50% of total eligibles, regardless of spousal coverage, must participate in Aetna's plan</li> <li>• Minimum of 2 eligibles, unless state regulations require 1 eligible.</li> <li>• 100% participation is required for non-contributory plans.</li> <li>• Eligibles waiving coverage must complete a waiver and provide proof of enrollment in a spouse's plan by submitting a copy of the ID card.</li> <li>• Coverage can be denied based on inadequate participation.</li> <li>• Dependent participation is not required</li> <li>• When determining the number of employees that must enroll, round to the nearest whole number unless state legislation specifies otherwise. Less than .5 – round down .5 or higher – round up</li> </ul>	<ul style="list-style-type: none"> <li>• <b>2 to 9 employees</b> Employer must contribute 100% of the employee only cost of the plan or 50% of the total cost of the plan.</li> <li>• <b>10 to 50 employees</b> Employer must contribute at least 50% of the total cost of the plan or 75% of the cost of employee only coverage.</li> <li>• In option situations, employer contribution strategy must place Aetna at least on a level playing field with any competitor offering.</li> <li>• Coverage can be denied based on inadequate contributions.</li> <li>• Different employer contribution levels may not be offered within the same group.</li> </ul>
<p><b>Life</b></p>	<ul style="list-style-type: none"> <li>• Eligibles = Total number of individuals eligible for the plan as defined by SGR regulations.</li> <li>• <b>Groups with 2 to 9 Eligible Employees</b> - 100% participation is required.</li> <li>• <b>Groups with 10 to 50 Eligible Employees</b> - Contributory plans, 75% of eligibles must participate - Non-contributory plans, 100% participation is required</li> <li>• Note, employees may elect Life insurance even if they do not elect medical coverage.</li> <li>• Coverage can be denied based on inadequate participation.</li> <li>• North Central states are changing from 75 to 70% on contributory plans for Medical, Life, STD and Dental. 70% will not apply to standalone Life, STD and Dental which will remain at 75%. Iowa life will remain at 75% based on state regs.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Groups with 2 to 9 eligibles</b> 100% of the total cost of the basic life plan.</li> <li>• <b>Groups with 10 to 50 eligibles</b> At least 50% of the total cost of the life coverage (excluding Optional Dependent Term).</li> <li>• Coverage can be denied based on inadequate contributions.</li> <li>• Different employer contribution levels may not be offered within the same group.</li> </ul>
<p><b>Long Term Disability</b></p>	<ul style="list-style-type: none"> <li>• Not available for small group</li> </ul>	
<p><b>Short Term Disability</b></p>	<ul style="list-style-type: none"> <li>• Eligibles = Total number of individuals eligible for the plan as defined by SGR regulations.</li> <li>• <b>2 to 9 Eligible Employees</b> 100% participation is required.</li> <li>• <b>10 to 50 Eligible Employees</b> - 75% of eligibles must participate when the plan is partially contributory. - 100% participation is required for non-contributory plans.</li> <li>• Coverage can be denied based on inadequate participation.</li> <li>• North Central states are changing from 75 to 70% on contributory plans for Medical, Life, STD and Dental. 70% will not apply to standalone Life, STD and Dental which will remain at 75%. Iowa life will remain at 75% based on state regs.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>2 to 9 employees</b> 100% of the total cost of STD coverage</li> <li>• <b>10 to 50 employees</b> 50% of the total cost of the STD coverage</li> <li>• Coverage can be denied based on inadequate contributions.</li> <li>• Different employer contribution levels may not be offered within the same group.</li> </ul>
<p><b>Dental</b></p>	<ul style="list-style-type: none"> <li>• See separate dental guidelines</li> </ul>	<ul style="list-style-type: none"> <li>• See separate dental guidelines</li> </ul>

STATE	MEDICAL PARTICIPATION GUIDELINES BY STATE	SAMPLE MEDICAL PARTICIPATION CALCULATION	MEDICAL EMPLOYER CONTRIBUTION BY STATE
Alabama	<ul style="list-style-type: none"> <li>Groups with 2 or 3 eligible employees 100% of eligibles, excluding those with qualifying existing coverage must participate in Aetna's plan.</li> <li>Groups with 4 to 50 eligible employees 75% participation, excluding those with qualifying existing coverage, must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>3 Eligibles – 2 spousal waivers = 1 1 must enroll</li> <li>15 Eligibles – 3 spousal waivers = 12 12 x 75% = 9 must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 75% of employee only cost or 50% of total cost of the plan</li> </ul>
Alaska	<p>(1) An employer can select those employees he wants to cover. As a carrier, we must, however, initially offer coverage for all eligible employees. Contribution and participation rules are to be applied to those employees the employer selected to be covered.</p> <p>(2) Carrier cannot consider employees with creditable coverage in determining participation.</p> <ul style="list-style-type: none"> <li>Groups with 2 to 9 eligible employees 100% of eligibles, excluding spousal waivers and those with creditable coverage, must enroll in Aetna's plan.</li> <li>Groups with 10 to 50 eligible employees 75% of eligibles, excluding spousal waivers and those with creditable coverage, must enroll in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>5 Eligibles x 100% = 5 5 – 2 spousal waivers = 3 must enroll</li> <li>20 employees 10 hourly + 10 salaried employees. <ul style="list-style-type: none"> <li>- Count both the hourly and salaried to determine group size in order to ascertain that the group is subject to small group reform.</li> <li>- The employer elects to cover only salaried employees so for participation this is a group of 10 eligible employees.</li> <li>- The salaried employees have 4 employees that waive coverage due to spousal or other creditable coverage, which leaves 6 eligible employees to base participation on.</li> <li>- 6 X 75% = 4.5 = 5 employees must enroll in order for this group to meet participation.</li> <li>- 20 employees - 10 hourly (employer not covering them) = 10 eligible employees - 4 waivers = 6 eligible employees X 75% = 4.5 = 5 must enroll.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 75% of employee only cost or 50% of total cost of the plan.</li> </ul>
Arizona	<ul style="list-style-type: none"> <li>Groups with 2 to 3 eligible employees 100% of eligibles, excluding spousal waivers or parent's employer's plan and those with qualifying existing coverage must participate in Aetna's plan.</li> <li>Groups with 4 to 50 eligible employees 75% of eligibles, excluding spousal waivers or parent's employer's plan and those with qualifying existing coverage must participate in Aetna's plan</li> </ul>	<ul style="list-style-type: none"> <li>5 Eligibles x 100% = 5 5 – 2 spousal waivers = 3 must enroll</li> <li>10 Eligibles – 4 spousal waivers = 6 6 x 75% = 4.5 = 5 must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost.</li> </ul>
Arkansas	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 75% of eligibles, excluding those with spousal waivers must participate in Aetna's plan. In addition, 50% of total eligibles, regardless of spousal coverage, must participate in the Aetna plan.</li> </ul>	<ul style="list-style-type: none"> <li>10 Eligibles – 4 spousal waivers = 6 6 x 75% = 4.5 = 5 must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost or 50% of total cost of the plan</li> </ul>
California	<ul style="list-style-type: none"> <li>Groups with 2 or 3 eligible employees 100% of eligibles, excluding those with qualifying existing coverage including under another employer's plan, must participate in Aetna's plan.</li> <li>Groups with 4 to 50 eligible employees 75% of eligibles (rounded up), excluding those with qualifying existing coverage including under another employer's plan, must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>3 Eligibles – 2 spousal waivers = 2 must enroll</li> <li>12 Eligibles – 5 spousal waivers = 7 7 x 75% = 5.25 = 6 must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost.</li> </ul>

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Colorado	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 70% of eligibles, rounding up, excluding spousal waivers, or those with other group creditable coverage (except for those in another plan sponsored by the employer), or individual coverage (that has been consistently maintained and that was in force prior to the individual's eligibility for group coverage), must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>12 Eligibles - 3 spousal waivers = 9 <math>9 \times 75\% = 6.75 = 7</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost.</li> </ul>
Connecticut	<ul style="list-style-type: none"> <li>Groups with 1 to 9 eligible employees 100% of eligibles, excluding spousal waivers, must enroll in Aetna's plan.</li> <li>Groups with 10 to 50 eligible employees 75% of eligibles, excluding spousal waivers, must enroll in Aetna's plan. In addition, 50% of total eligibles, regardless of spousal waivers, must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>9 Eligibles – 2 spousal waivers = 7 <math>7 \times 100\% = 7</math> must enroll</li> <li>20 Eligibles – 5 spousal waivers = 15 <math>15 \times 75\% = 11.25 = 11</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>2 to 9 Eligibles Employer contributes 100% of employee only cost or 50% of total cost of the plan</li> <li>10 to 50 Eligibles Employer contributes at least 50% of employee only cost or 50% of total cost of the plan.</li> </ul>
Delaware	<ul style="list-style-type: none"> <li>HMO not available.</li> <li>Non-HMO Cannot count those with spousal coverage or with qualifying existing coverage in the participation calculation.</li> <li>Groups with 2 to 50 eligible employees 75% of eligibles, excluding those with other qualifying existing coverage or Spousal coverage must enroll in Aetna's plan.</li> </ul>		
DC	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 75% of eligibles, excluding those with other qualifying existing spousal, governmental (Medicare, Medicaid, military) or union coverage must enroll in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>20 Eligibles – 3 spousal waivers = 17 <math>17 \times 75\% = 12.75 = 13</math> 13 must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only annual premium.</li> </ul>
Florida	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 75% of eligibles, counting those covered under another health plan sponsored by the employer or an ERISA qualified self-funded plan, excluding those with other qualifying existing coverage (spousal or parent group, Medicare/Medicaid, CHAMPVA) must participate in Aetna's plan.</li> <li>Employees waiving coverage must complete the waiver section and provide proof of other coverage by providing a copy of the I.D. card.</li> <li>Effective 8/1/03, individual coverage is no longer a valid waiver.</li> <li>Note, one-life groups are only eligible to enroll in August for October effective dates.</li> </ul>	<ul style="list-style-type: none"> <li>20 Eligibles – 6 spousal waivers = 14 <math>14 \times 75\% = 10.5 = 11</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost or 50% of total cost of the plan.</li> </ul>
Georgia	<ul style="list-style-type: none"> <li>Groups with 2 or 3 eligible employees 100% of eligibles, excluding spousal or dependent coverage waivers who have other group coverage from an unaffiliated insurer, must participate in Aetna's plan.</li> <li>Groups with 4 to 50 eligible employees 75% participation, excluding spousal waivers or dependent coverage who have other group coverage from an unaffiliated insurer, must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>3 Eligibles – 2 spousal waivers = 1 2 must enroll</li> <li>20 Eligibles – 5 spousal waivers = 15 <math>15 \times 75\% = 11.25 = 11</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>2 to 3 eligible employees Employer contributes 100% of employee only cost or 50% of total cost of the plan.</li> <li>4 to 50 eligible employees Employer contributes at least 50% of employee only cost or 50% of total cost of the plan.</li> </ul>
Hawaii	<ul style="list-style-type: none"> <li>Use standard requirements.</li> </ul>		

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Idaho	<ul style="list-style-type: none"> <li>Groups with 2 to 9 eligible employees 100% of eligibles, excluding spousal waivers and those with other qualifying existing coverage, must enroll in Aetna's plan.</li> <li>Groups with 10 to 50 eligible employees 75% of eligibles, excluding spousal waivers and those with other qualifying existing coverage, must enroll in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>9 Eligibles – 2 spousal waivers = 7 <math>7 \times 100\% = 7</math> must enroll</li> <li>20 Eligibles – 4 spousal waivers = 16 <math>16 \times 75\% = 12</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 75% of employee only cost or 50% of total cost of the plan.</li> </ul>
Illinois	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 70% of eligibles, rounding up, excluding valid spousal waivers, must participate in Aetna's plan.</li> <li>Valid waivers include spousal/parental group coverage, Medicare/Medicaid, Champus/ChampVA, Military coverage, Retiree coverage or Association coverage (for doctors/lawyers covered under an association who want to cover their employees). Individual coverage is not a valid waiver.</li> </ul>	<ul style="list-style-type: none"> <li>12 Eligibles – 3 spousal waivers = 9 <math>9 \times 70\% = 6.30 = 7</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes 50% of the employee only cost or 50% of the total cost.</li> </ul>
Indiana	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 70% of eligibles, rounding up, excluding valid spousal waivers, must participate in Aetna's plan.</li> <li>Valid waivers include spousal/parental group coverage, Medicare/Medicaid, Champus/ChampVA, Military coverage, Retiree coverage or Association coverage (for doctors/lawyers covered under an association who want to cover their employees). Individual coverage is not a valid waiver.</li> </ul>	<ul style="list-style-type: none"> <li>12 Eligibles – 3 spousal waivers = 9 <math>9 \times 70\% = 6.30 = 7</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost or 50% of total cost of the plan.</li> </ul>
Iowa	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 70% of eligibles, rounding up, excluding spousal waivers or other creditable coverage, must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>20 Eligibles – 3 spousal waivers = 17 <math>17 \times 70\% = 11.90 = 12</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 75% of employee only cost or 50% of total cost of the plan.</li> </ul>
Kansas	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 70% of eligible employees, rounding up, excluding those employees covered under a spouse's plan or other qualifying existing coverage with another employer must participate in Aetna's plan.</li> <li>Valid waivers include spousal/parental group coverage, Medicare/Medicaid, Champus/ChampVA, Military coverage, Retiree coverage or Association coverage (for doctors/lawyers covered under an association who want to cover their employees). Individual coverage is not a valid waiver.</li> </ul>	<ul style="list-style-type: none"> <li>9 Eligibles – 2 spousal waivers = 7 <math>7 \times 70\% = 4.90 = 5</math> 3 covered by another employer sponsored plan = 5 must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost or 50% of total cost of the plan.</li> </ul>
Kentucky	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 70% of eligibles, rounding up, excluding spousal valid waivers, must participate in Aetna's plan. <del>In addition, 50% of total eligibles, regardless of spousal coverage, must participate in Aetna's plan.</del></li> <li>Valid waivers include spousal/parental group coverage, Medicare/Medicaid, Champus/ChampVA, Military coverage, Retiree coverage or Association coverage (for doctors/lawyers covered under an association who want to cover their employees). Individual coverage is not a valid waiver.</li> </ul>	<ul style="list-style-type: none"> <li>10 Eligibles – 3 spousal waivers = 7 <math>7 \times 70\% = 4.9 = 5</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost or 50% of total cost of the plan.</li> </ul>
Louisiana	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 75% of eligibles, excluding spousal waivers, must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>10 Eligibles – 3 spousal waivers = 7 <math>7 \times 75\% = 5.25 = 5</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 75% of employee only cost or 50% of total cost of the plan.</li> </ul>
Maine	<ul style="list-style-type: none"> <li>Groups with 1 to 50 eligible employees <ul style="list-style-type: none"> <li>&gt; Coverage must be offered to all employees who meet conditions to be an eligible employee, unless they belong to a union class excluded as the result of a collective bargaining arrangement and, therefore, covered elsewhere.</li> <li>&gt; Minimum Participation – 75% of all eligible employees exclusive of eligible employees who have existing health coverage must enroll in Aetna's plan</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>10 Eligibles – 3 spousal waivers = 7 <math>7 \times 75\% = 5.25 = 5</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>No minimum Employer or Employee contribution is required.</li> </ul>

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	<ul style="list-style-type: none"> <li>&gt; Employees with other coverage and/or who are waiving the employer's plan must sign waiver verifying other coverage or no coverage.</li> <li>&gt; For employees waiving coverage because of coverage elsewhere, any dependents of the employee who are not eligible for coverage under employee's other plan, may enroll in the group's health plan.</li> </ul>		
Maryland	<ul style="list-style-type: none"> <li>• Groups with 2 to 50 eligible employees 75% of eligibles, excluding those with qualifying existing spousal, government (Medicaid, Medicare, military), another employer's plan, must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>• 10 Eligibles – 3 spousal waivers = 7 <math>7 \times 75\% = 5.25 = 5</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>• No Employer Contribution Required.</li> </ul>

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Massachusetts	<ul style="list-style-type: none"> <li>Groups with 1 to 5 eligible employees 100% of eligibles, excluding spousal waivers, must enroll in Aetna's plan.</li> <li>Groups with 6 to 50 eligible employees 75% of eligibles, excluding spousal waivers, must enroll in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>5 Eligibles – 1 spousal waivers = 4 <math>4 \times 100\% = 4</math> must enroll</li> <li>20 Eligibles – 4 spousal waivers = 16 <math>16 \times 75\% = 12</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>1 to 9 Eligibles Employer contributes 100% of employee only cost or 50% of total cost of the plan</li> <li>10 to 50 Eligibles Employer contributes at least 50% of employee only cost or 50% of total cost of the plan</li> <li>Coverage can be denied if the employer contributes less than 10% of an employee's annual premium.</li> </ul>
Michigan	<p><u>Effective 10/2005</u></p> <ul style="list-style-type: none"> <li>2 to 25 eligible employees 70% of the eligible employees seeking health care coverage through the small employer</li> <li>26 to 50 eligible employees 50% of the eligible employees seeking health care coverage through the small employer.</li> </ul> <p>Seeking coverage means those employees that choose to seek group coverage through their employer. If an employee has their own individual coverage, has coverage through a spouse, simply cannot afford the employee share of the premium, or just chooses to not be covered by health insurance, they are not included with the employees seeking coverage and must complete a waiver.</p> <p>The employer size is based on the number of eligible employees, regardless of how many employees are seeking coverage through the employer.</p> <p><u>Effective 1/23/2004</u></p> <ul style="list-style-type: none"> <li>Groups with 25 or fewer eligible employees 75% of eligibles, excluding spousal waivers, must participate in Aetna's plan.</li> <li>Groups with 26 to 50 eligible employees 50% of eligibles, excluding spousal waivers, must participate in Aetna's plan.</li> </ul> <p><u>Prior to 1/23/2004</u></p> <ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 75% of eligible employees, excluding those employees covered under a spouse's plan, but in no event less than 50% of all eligible employees.</li> </ul>	<ul style="list-style-type: none"> <li>26 eligibles 19 are seeking coverage 50% of the employees seeking coverage must enroll Waivers are needed on all 26 employees <math>19 \times 50\% = 9.5 = 10</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>No minimum employer contribution is required.</li> </ul>
Minnesota	<ul style="list-style-type: none"> <li>Not available</li> </ul>		
Mississippi	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 75% participation, excluding those with spousal waivers must participate in Aetna's plan. In addition 50% of total eligibles must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>20 Eligibles – 7 spousal waivers = 13 <math>13 \times 75\% = 9.75 = 10</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 75% of employee only cost or 50% of total cost of the plan</li> </ul>
Missouri	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 70% of eligibles, rounding up, excluding spousal waivers and those with other qualifying existing coverage (except for those in another plan sponsored by the employer), must participate in Aetna's plan.</li> <li>Valid waivers include spousal/parental group coverage, Medicare/Medicaid, Champus/ChampVA, Military coverage, Retiree coverage or Association coverage (for doctors/lawyers covered under an association who want to cover their employees). Individual coverage is not a valid waiver.</li> </ul>	<ul style="list-style-type: none"> <li>20 Eligibles – 3 spousal waivers = 17 <math>17 \times 70\% = 11.90 = 12</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>2 to 50 Eligibles Employer contributes at least 75% of employee only cost or 50% of total cost of the plan</li> </ul>
Montana	<ul style="list-style-type: none"> <li>Groups with 2 to 9 eligible employees 100% of eligible employees, excluding those employees covered under another "health" plan. Carving out those covered under another health plan</li> </ul>	<ul style="list-style-type: none"> <li>9 Eligibles – 3 spousal waivers = 6 <math>6 \times 100\% = 6</math> must enroll</li> <li>20 Eligibles – 3 spousal waivers = 17</li> </ul>	<ul style="list-style-type: none"> <li>2 to 9 Eligibles Employer contributes 100% of employee only cost or 50% of total</li> </ul>

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	<p>does not apply to groups less than 4.</p> <ul style="list-style-type: none"> <li>Groups with 10 to 50 eligible employees 70% of eligibles, rounding up, excluding those employees covered under another "health" plan.</li> </ul>	<p><math>17 \times 70\% = 11.90 = 12</math> must enroll</p>	<p>cost of the plan.</p> <ul style="list-style-type: none"> <li>10 to 50 Eligibles Employer contributes at least 75% of employee only cost or 50% of total cost of the plan.</li> </ul>
Nebraska	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 70% of eligibles, rounding up, excluding spousal waivers or those with other creditable coverage (except for those who have coverage under another plan sponsored by the employer), must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>20 Eligibles – 3 spousal waivers = 17 <math>17 \times 70\% = 11.90 = 12</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>2 to 50 Eligibles Employer contributes at least 75% of employee only cost or 50% of total cost of the plan.</li> </ul>
Nevada	<ul style="list-style-type: none"> <li>Groups with 2 to 9 eligible employees 100% of eligibles excluding those with other creditable coverage must enroll in the employer's plan.</li> <li>Groups with 10 to 50 eligible employees 75% of eligibles excluding those with other creditable coverage, must enroll in the employer's plan.</li> </ul> <p>For all groups, do not carve out those who have coverage under another health benefit plan that is sponsored by the employer.</p>	<ul style="list-style-type: none"> <li>9 Eligibles – 3 with CC = 6 <math>6 \times 100\% = 6</math> must enroll</li> <li>30 Eligibles – 3 with CC = 27 <math>27 \times 75\% = 20.25 = 20</math> must enroll</li> <li>12 eligibles - 7 with CC = 5 6 must enroll to meet 50% rule</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 75% of employee only cost or 50% of total cost of the plan</li> </ul>
New Hampshire	<p>Groups with 1 to 50 eligible employees</p> <ul style="list-style-type: none"> <li>When Aetna is the sole carrier of the employer sponsored plan: 75% of eligibles, excluding those covered as a dependent on another person's health coverage, must enroll in Aetna's plan.</li> <li>When Aetna is not the sole carrier of the employer sponsored plan: 37.5% of eligibles, excluding those covered, as a dependent on another person's health coverage, must enroll in Aetna's plan.</li> <li>Round any fractional number to the higher integer.</li> </ul>	<ul style="list-style-type: none"> <li>Sole Carrier 9 Eligibles – 3 spousal waivers = 6 <math>6 \times 75\% = 4.5 = 5</math> must enroll</li> <li>Multiple Carriers 9 eligibles – 3 spousal waivers = 6 <math>6 \times 37.5 = 2.25 = 3</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>2 to 9 Eligibles Employer contributes 100% of employee only cost or 50% of total cost of the plan</li> <li>10 to 50 Eligibles Employer contributes at least 75% of employee only cost or 50% of total cost of the plan</li> </ul>
New Jersey	<ul style="list-style-type: none"> <li>Groups of 2 to 50 eligible employees 75% of eligible employees must enroll <u>including</u> (must count in the total and then subtract spousal waivers)) those covered under a spouse's group health benefits plan, Medicare, Medicaid, NJ FamilyCare, or another group health benefits plan. Union employees who have coverage through their employer's plan ARE eligible and union employees covered under the union health plan ARE NOT eligible.</li> </ul>	<ul style="list-style-type: none"> <li>22 eligibles (assuming no union employees) <math>22 \times 75\% = 16.5 = 17 - 2</math> spousal waivers = 15 must enroll enroll (any calculation resulting in a fraction of a number must round to the next higher whole number)</li> </ul>	<ul style="list-style-type: none"> <li>Coverage can be denied if the employer contributes less than 10% of the annual premium.</li> </ul>
New Mexico	<ul style="list-style-type: none"> <li>Not available.</li> </ul>		
New York	<ul style="list-style-type: none"> <li>HMO/POS plans <ul style="list-style-type: none"> <li>Contracts issued under our HMO License do not require a minimal participation.</li> <li>All groups must provide waivers for those members not enrolling in the Aetna plan.</li> </ul> </li> <li>Managed Choice <ul style="list-style-type: none"> <li>Participation requirement is a minimum of 2 enrolling or 50% whichever is greater, excluding waivers.</li> <li>Waivers are defined as spousal, Medicare, other group coverage or VA.</li> <li>Minimum 5 enrolled in a dual option or pick-a-plan</li> <li>Every eligible employee listed on the state wage and tax form must complete an enrollment form or waiver form</li> </ul> </li> </ul>	N/A	<ul style="list-style-type: none"> <li>Contracts issued on Aetna's ALIC non-HMO license (Managed Choice Products/PPO): <ul style="list-style-type: none"> <li>Groups with &lt;10 eligible lives- Employer must contribute 100% of employee only cost or 50% of total cost of the plan.</li> <li>Groups with &gt;10 eligible lives- Employer must contribute 75% of employee only cost or 50% of total cost of the plan.</li> </ul> </li> <li>HMO/QPOS <ul style="list-style-type: none"> <li>We strongly recommend for groups with &lt; 10 eligible lives that the employer contribute 100% of the employee only cost or 50% of the total cost of the plan.</li> <li>We strongly recommend for groups with 10-50 eligible lives that the</li> </ul> </li> </ul>

STATE	MEDICAL PARTICIPATION GUIDELINES BY STATE	SAMPLE MEDICAL PARTICIPATION CALCULATION	MEDICAL EMPLOYER CONTRIBUTION BY STATE
			<p>employer contribute 50% of the employee only cost or 50% of the total cost of the plan.</p> <ul style="list-style-type: none"> <li>- Coverage can be denied if the employer contributes less than 10% of an employee's annual premium.</li> </ul>

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North Carolina	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 75% of eligibles, excluding spousal waivers and those covered by Medicare, Medicaid, other government programs OR an employer based health insurance or health benefit arrangement including a self-funded plan that provides benefits similar to or in excess of benefits provided under the basic plan.</li> </ul>	<ul style="list-style-type: none"> <li>20 Eligibles – 3 spousal waivers = 17 <math>17 \times 75\% = 12.75 = 13</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>2 to 50 eligible employees Employer contributes at least 50% of employee only cost or 25% of total cost of the plan.</li> </ul>
North Dakota	<ul style="list-style-type: none"> <li>Groups with 2 to 9 eligible employees 100% of eligibles, excluding spousal waivers or those with other qualifying existing coverage (except for those covered under another health benefit plan sponsored by the small employer), must participate in Aetna's plan.</li> <li>Groups with 10 to 50 eligible employees 70% of eligibles, rounding up, excluding spousal waivers or those with other qualifying existing coverage, must participate in Aetna's plan.</li> </ul> <p>Effective 8/1/2003 - Individual health insurance is excluded from "qualifying existing coverage" for the purposes of determining participation levels.</p>	<ul style="list-style-type: none"> <li>9 Eligibles – 3 spousal waivers = 6 <math>6 \times 100\% = 6</math> must enroll</li> <li>20 Eligibles – 3 spousal waivers = 17 <math>17 \times 70\% = 11.90 = 12</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>2 to 9 Eligibles Employer contributes 100% of employee only cost or 50% of total cost of the plan.</li> <li>10 to 50 Eligibles Employer contributes at least 75% of employee only cost or 50% of total cost of the plan.</li> </ul>
Ohio	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 70% of eligibles, rounding up, excluding valid waivers, must participate in Aetna's plan.</li> <li>Valid waivers include spousal/parental group coverage, Medicare/Medicaid, Champus/ChampVA, Military coverage, Retiree coverage or Association coverage (for doctors/lawyers covered under an association who want to cover their employees). Individual coverage is not a valid waiver.</li> </ul>	<ul style="list-style-type: none"> <li>12 Eligibles – 3 spousal waivers = 9 <math>9 \times 70\% = 6.30 = 7</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes 50% of the employee only cost or 50% of the total cost.</li> </ul>
Oklahoma	<ul style="list-style-type: none"> <li>Groups with 2 eligible employees 100% of eligibles excluding those with other qualifying existing coverage must participate in Aetna's plan</li> <li>Groups with 3 to 50 eligible employees 75% of eligibles excluding those with other qualifying existing coverage must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>12 Eligibles – 3 spousal waivers = 9 <math>9 \times 75\% = 6.75 = 7</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost.</li> </ul>
Oregon	<ul style="list-style-type: none"> <li>Groups with 2 to 9 eligible employees 100% of eligibles (excluding spousal waivers and those covered by an existing group health benefit plan) must enroll in the employer's plan.</li> <li>Groups with 10 to 50 eligible employees 75% of eligibles (excluding spousal waivers and those covered by an existing group health benefit plan) must enroll in the employer's plan.</li> </ul>	<ul style="list-style-type: none"> <li>9 Eligibles – 3 spousal waivers = 6 <math>6 \times 100\% = 6</math> must enroll</li> <li>30 Eligibles – 8 spousal waivers = 22 <math>22 \times 75\% = 16.5 = 17</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>2 to 9 Eligibles Employer contributes 50% of employee only premium.</li> <li>10 to 50 Eligibles Employer contributes at least 75% of employee only cost or 50% of total cost of the plan.</li> </ul>
Pennsylvania	<ul style="list-style-type: none"> <li><del>Groups with 2 to 19 eligible employees</del> <del>100% of eligibles, excluding those with qualifying existing spousal coverage or Medicare coverage must participate in Aetna's plan.</del></li> <li>Groups with 20 to 50 eligible employees 75% of eligibles, excluding those with qualifying existing spousal coverage (other than those covered under another employer sponsored health plan), rounded down, must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>20 eligibles - 8 spousal waivers = 12 <math>12 \times 75\% = 9</math></li> </ul>	<ul style="list-style-type: none"> <li>Coverage can be denied if the employer contributes less than 50% of an employee's annual premium.</li> </ul>
Rhode Island	<ul style="list-style-type: none"> <li>Not available.</li> </ul>		

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South Carolina	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 75% of eligibles, excluding valid waivers, must participate in Aetna's plan. Valid waivers include spousal/parental group coverage, Medicare/Medicaid, Champus/ChampVA, Military coverage, Retiree coverage or Association coverage (for doctors/lawyers covered under an association who want to cover their employees). Individual coverage is not a valid waiver.</li> </ul>	<ul style="list-style-type: none"> <li>20 Eligibles – 7 spousal waivers = 13 <math>13 \times 75\% = 12.75 = 13</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost or 25% of total cost of the plan</li> </ul>
South Dakota	<ul style="list-style-type: none"> <li>Groups with 2 to 9 eligible employees 100% of eligible employees must enroll <u>including</u> (must count in the total and then subtract waivers) those covered under a spouse's group health benefits plan, Medicare or another group health benefits plan, must participate in Aetna's plan.</li> <li>Groups with 10 to 50 eligible employees 70% of eligibles, rounding up, employees <u>including</u> (must count in the total and then subtract waivers) those covered under a spouse's group health benefits plan, Medicare or another group health benefits plan, must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>9 Eligibles <math>\times 100\% = 9</math> 9 – 3 spousal waivers = 6 must enroll</li> <li>18 Eligibles <math>\times 70\% = 12.60 = 13</math> 13 - 3 spousal waivers = 10 must enroll</li> </ul>	<ul style="list-style-type: none"> <li>2 to 9 Eligibles Employer contributes 100% of employee only cost or 50% of total cost of the plan.</li> <li>10 to 50 Eligibles Employer contributes at least 75% of employee only cost or 50% of total cost of the plan.</li> </ul>
Tennessee	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 75% of eligibles, excluding spousal waivers, must participate in Aetna's plan. In addition, 50% of total eligibles, regardless of spousal coverage, must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>20 Eligibles – 8 spousal waivers = 12 <math>12 \times 75\% = 9</math> 10 must enroll to meet 50%</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost or 50% of total cost of the plan.</li> </ul>
Texas	<ul style="list-style-type: none"> <li>Groups with 2 eligible employees 100% of eligible employees must participate in Aetna's plan.</li> <li>Groups with 3 to 50 eligible employees 75% of eligibles employees (rounded down)* must participate in Aetna's plan.</li> </ul> <p>*The definition of "eligibles" excludes: (A) an employee who works on a part-time, temporary, seasonal, or substitute basis; or (B) an employee who is covered under: (i) another health benefit plan; (ii) a self-funded or self-insured employee welfare benefit plan that provides health benefits and that is established in accordance with the Employee Retirement Income Security Act of 1974; (iii) the Medicaid program if the employee elects not to be covered; (iv) another federal program, including the CHAMPUS program or Medicare program, if the employee elects not to be covered; or (v) a benefit plan established in another country if the employee elects not to be covered.</p>	<ul style="list-style-type: none"> <li>20 eligible employees 7 waiving due to other health coverage 13 eligible employees <math>\times 75\% = 9.75</math> 9 must enroll for health coverage</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only cost. (EFF 6/1/04)</li> </ul>
Utah	<ul style="list-style-type: none"> <li>Not available.</li> </ul>		
Vermont	<ul style="list-style-type: none"> <li>Not available.</li> </ul>		
Virginia	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 75% of eligibles, excluding those with qualifying existing spousal, governmental (Medicare, Medicaid, military) or union coverage must enroll in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>20 eligibles – 3 health waivers = 17 <math>17 \times 75\% = 12.75 = 13</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 50% of employee only annual premium.</li> </ul>
Washington	<ul style="list-style-type: none"> <li>Groups with 1 to 3 eligible employees 100% of eligibles, excluding those with other similar existing coverage, must enroll in the employer's plan.</li> <li>Groups with 4 to 50 eligible employees 75% of eligibles, excluding those with other similar existing coverage, must enroll in the employer's plan.</li> </ul>	<ul style="list-style-type: none"> <li>3 Eligibles – 1 spousal waiver = 2 <math>2 \times 100\% = 2</math> must enroll</li> <li>20 Eligibles – 7 spousal waivers = 13 <math>13 \times 75\% = 9.75 = 10</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 75% of employee only cost or 50% of total cost of the plan</li> </ul>

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West Virginia	<ul style="list-style-type: none"> <li>Groups with 2 to 50 eligible employees 75% of eligibles, excluding spousal waivers, must participate in Aetna's plan. In addition, 50% of total eligibles, regardless of spousal coverage, must participate in Aetna's plan.</li> </ul>	<ul style="list-style-type: none"> <li>20 eligibles – 3 health waivers = 17  <math>17 \times 75\% = 12.75 = 13</math> must enroll</li> </ul>	<ul style="list-style-type: none"> <li>Employer contributes at least 75% of employee only cost or 50% of total cost of the plan</li> </ul>
Wisconsin	<ul style="list-style-type: none"> <li>Not available.</li> </ul>		
Wyoming	<ul style="list-style-type: none"> <li>Not available.</li> </ul>		