



Horizon Blue Cross Blue Shield of New Jersey

LARGE EMPLOYER CERTIFICATION

Legal Name and Address of Company: _____
Name

Street _____ City _____ State _____ ZIP _____

Instructions This form must be complete by Large Employers with 51- 99 full-time equivalent employees. For prompt processing, complete all sections in their entirety.

Section I. Full-time Equivalent Employee Calculation

Definitions

Definition of Employee The definition of a Large Employer counts employees as defined below.

Employee means an employee of the Policyholder.

The following are **not** considered employees of the Policyholder:

- an individual and his or her legal spouse when the business is owned by the individual or by the individual and his or her legal spouse
- the following individuals and immediate family members of such individuals:
 - ✓ partners in a partnership
 - ✓ sole proprietors
 - ✓ a 2-percent S corporation shareholder
- independent contractors
- leased employees
- retired enrollees
- COBRA continuees

Definition of Large Employer **Large Employer** means in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 51 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

All persons treated as a single employer under subsection (b), (c), (m) or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as one employer.

In the case of an employer that was not in existence throughout the preceding calendar year, the determination of whether the employer is a large employer is based on the average number of employees that it is reasonably expected the employer will employ on business days in the current calendar year.

Section I., Full-Time Equivalent Employee Calculation, (continued)

Calculating Full-Time Equivalent Employees (FTEs)

General guidelines

- Individuals do not have to qualify for medical coverage to be considered employees.
- Use whole numbers only - no decimals, fractions or ranges.
- Make sure to count all employees, including those in different locations or divisions.

Full-time, part-time and seasonal

A **full-time employee** works 30 or more hours per week.

A **part-time employee** works fewer than 30 hours per week.

A **seasonal worker** performs labor or services on a seasonal basis as defined by the Secretary of Labor, including retail workers employed only during the holiday season. Exclude seasonal workers who worked 120 days or fewer during the calendar year if that is the only reason your group exceeds 50 full-time equivalent employees.

Calculating FTEs

Below are rules to calculate your full-time equivalent employees (FTEs). Use the set of rules that apply based on whether the group is applying for coverage to become effective in the next calendar year or the current calendar year.

Calculate FTEs when applying for coverage to become effective in the next calendar year

1. For each completed week of the current calendar year, count all full-time employees.
2. For each completed week of the current calendar year, employees working fewer than 30 hours per week are part-time and counted as the sum of the hours each part-time employee works per week multiplied by 4 and the product divided by 120 and rounded down to the nearest whole number.
3. For each remaining week of the current calendar year, estimate all full-time employees.
4. For each remaining week of the current calendar year, employees working fewer than 30 hours per week are counted as the sum of the hours each part-time employee is projected to work per week, multiplied by 4 and the product divided by 120 and rounded down to the nearest whole number.
5. Add all resulting figures together.

Current Calendar Year Full-Time Equivalent Employee (FTE) Total: _____

Calculate FTEs when applying for coverage to become effective in the current calendar year

1. For each completed week of the preceding calendar year, count all full-time employees.
2. For each completed week of the preceding calendar year, employees working fewer than 30 hours per week are part-time and counted as the sum of the hours each part-time employee works per week multiplied by 4 and the product divided by 120 and rounded down to the nearest whole number.
3. Add all resulting figures together.

Preceding Calendar Year Full-Time Equivalent Employee (FTE) Total: _____

Section II. Certification

CERTIFICATION AS A LARGE EMPLOYER IN THE STATE OF NEW JERSEY For a Group Health Benefits Plan

Please sign and date appropriate section indicating whether or not you meet the definition of a Large Employer.

Important Note: Section I is provided to assist in determining whether the group is a Large Employer. It is the group's responsibility to consult with their accountant or attorney to comply. If you certify the group is a Large Employer, Horizon BCBSNJ may request substantiating documentation.

I certify that I qualify as a Large Employer in the State of New Jersey.

AND

I certify that the information provided to Horizon Blue Cross Blue Shield of New Jersey is true and complete. I understand that incomplete or untrue information may void health benefits coverage.

Signature of Officer, Partner, Owner or Authorized Representative Title

Print Name of Officer, Partner, Owner or Authorized Representative Date

Signature of Witness Date

I certify that I am NOT a Large Employer in the State of New Jersey as defined in Section I.

Signature of Officer, Partner, Owner or Authorized Representative Title

Print Name of Officer, Partner, Owner or Authorized Representative Date

Signature of Witness Date

Any person who includes any false or misleading information on an application or enrollment form or certification for a health benefits plan is subject to criminal and civil penalties.