



Victor Posod

Frequently Asked Questions About Group Health Insurance

1. What is the minimum number of employees required to qualify as a group?

You must have a minimum of 2 employees or owners to qualify for a group health plan. These 2 people may be A) Employer and Employee, B) Two Partners, or C) Two Officers of a Corporation.

2. What must the employer contribute toward the employees health plan?

The minimum employer contribution must be at least 50% of the employee only premium. The employer is not required to contribute to the premium for dependents

3. What percentage of employees must enroll under the group health plan?

Generally, 75% percent of all eligible employees must enroll under the group plan. (Exceptions are made in certain situations.)

4. Which employees are considered “eligible” under the group health plan?

An eligible employee is any employee that works 30 or more hours per week for the company. The employer may elect to include employees that work 20 or more hours per week. If an employee is already covered under another group health plan, they are not included in the 75% minimum eligibility factor. Qualifying group health plans are “guaranteed issue,” which means that no employee may be denied coverage due to pre-existing conditions.

5. Does my company need Workers' Compensation insurance to qualify for a group health plan?

Yes, in most cases 100% of the eligible employees must be covered by Worker's Compensation insurance, except for those people that are exempt under Federal or California laws.

6. Can my employees choose different types of health plans?

Yes, most companies have dual option benefits in which they allow your employees to choose from a variety of plans that are offered

7. Are there special rates or guarantees for group health plans?

The rates will vary based on the size of your group, geographical location, age of employees, overall healthiness of employees, as well as other factors. Many insurance companies offer a one-year rate guarantee on the monthly premium.

8. What is required to verify that my business qualifies for a group health plan?

This depends on the structure of your business. If you have employees, you will need to provide a copy of your most recent DE-6 (State Quarterly Wage Report). This will be used to verify eligible employees. For partnerships or corporations, you will need a business license, articles of incorporation or other documents that can verify the legitimacy of your business and the participation of all people to be covered under the group health plan.

9. How quickly can I add new employees to my existing group health plan?

This is up to you. When you enroll in a new group health plan, you will decide what the length of time that a new hire must be with your company before he/she can be added to the group health plan. Typically, an employer sets a waiting period at 90 days, but you may choose a shorter or longer period of time.

Victor Posod has worked with business owners as their “broker of choice” for over 20 years!

His experience and concern for your success is paramount in his practice. Mr. Posod, is available with a full menu of business and employee plans, benefits and coverage's to protect your business and help you achieve your goals.