

Compliance With BIAW Trust & Our Insurance Carriers Eligibility Provisions

Please review the following information carefully. The BIAW Trust insurance carriers perform periodic audits to ensure companies are in compliance with the eligibility provisions of the BIAW Trust contract.

Eligibility & Participation Criteria

Eligibility and participation requirements for companies enrolled in the program are as follows:

I. Company Eligibility Requirements

- The company must be actively engaged in an income-generating business licensed in the State of Washington.
- The company must contribute a minimum of 75% towards the total employee rate; however, please note that there is no requirement for the company to make any contributions towards the cost of covering the employee's family.
- The company must be headquartered in and have a minimum of 50% of its workforce located in the State of Washington.
- Access to the BIAW Trust requires the company to be a **current member of a trade association or organization that exclusively endorses the Program.**
- Annual Association Membership Dues and Program Access Fees (if applicable) must be maintained each year to continue participation in the BIAW Trust.

Notes: The BIAW Trust contract runs from April 1st through March 31st of each year. Regardless of a company's effective date with the Trust, all rate and/or benefit modifications will be implemented on the Trust's renewal anniversary date of April 1st. Companies cancelled from the BIAW Trust for any reason are not eligible to re-apply for 24 months.

II. Definition of an Eligible Employee/Subscriber

An Eligible Employee/Subscriber is an active employee or owner of the company who:

- Has satisfied the company's health insurance probationary period.
- Has met the company's full-time employment requirement (hours worked per week).
- Is paid on a regular, periodic basis through the company's payroll system.
- Is reported on the group's payroll system, appearing on the Employer Quarterly Report of Wages (Forms 5208 A & B) filed with the Washington State Employment Security Department.

Ineligible participants include: Former Active Employees; Contract Employees (1099 employees); Independent Contractors or Sub-Contractors; Employee's residing in the State of Hawaii; Retirees; Part-time Employees; and Inactive or Retired Owners.

III. Definition of an Eligible Dependent

An eligible dependent is defined as a subscriber's lawful spouse, state registered domestic partner, or child (natural, adopted, stepchild, legally placed minor). A child must be under the age of 26 and not insured under their own employer-based health insurance to be eligible for coverage under this plan.

The BIAW Trust offers benefits to all Washington State registered Domestic Partners. BIAW Trust companies must adopt their own internal domestic partner policy and provide it to the Trust Administrators for approval. If you have any questions about the requirements needed, contact the BIAW Trust office for more information.

IV. Establishing Eligibility Criteria

Each company may establish their probationary period (0-6 months) and full-time employment criteria (minimum 20 hours - maximum 40 hours per week) upon enrollment. EPK & Associates, the BIAW Trust Administrators, will apply this criteria to determine a member's eligibility.

All employees meeting the definition of an Eligible Employee/Subscriber as stated above and working the contractual minimum hours per week are considered to be "eligible full-time" employees and subject to participation guidelines. No employee is allowed to waive coverage in return for compensation.

V. Minimum Employee/Subscriber Participation Requirements

The BIAW Trust is a **group** insurance program designed to provide coverage for participating companies with 2 or more full-time, eligible employees, including active owners.

Group plans require a specific percentage of all Eligible Employees/Subscribers to be covered on the plan. As a result, the requirements outlined below are strictly enforced.

- Companies with 2–5 eligible full-time employees: 100% participation is required (excluding Approved Waivers).
- Companies of 6 or more eligible full-time employees: 80% participation (excluding Approved Waivers).

Approved Waivers: Employees covered by Medicare, tribal, military, or a spouse's coverage may elect to waive coverage and will not count against your company's participation requirement percentage.

Employees (or active owners) waiving coverage must sign a **Waiver of Insurance Form**. This form must be submitted to EPK & Associates, the Trust Administrator, to be kept on file as this form includes information on Federal HIPAA regulations and special enrollment rights.

Please Note: EPK & Associates must receive an Employee/Subscriber application or a Waiver of Insurance form for each eligible full-time employee.

VI. Additional Information

Employees/Subscribers must be removed from the company plan at the end of the month in which they terminate employment or otherwise fail to satisfy the Company's eligibility criteria. Following the initial notification by the company, Federal COBRA Continuation Coverage services are provided for qualified companies.

The BIAW Trust and its insurance carriers are committed to reducing healthcare fraud, recovering money from those who are fraudulently enrolled, and identifying any company that submits fraudulent enrollment applications for any person who is not eligible to be enrolled in the BIAW Health Insurance Trust.

BIAW Trust insurance carriers perform group audits throughout the year to determine whether groups are in compliance with Trust participation guidelines. The audits are intended to identify participation problems so that they can be corrected and bring the group into compliance with the Health Insurance Trust guidelines. Any participating BIAW Trust company may be required to provide periodic employment eligibility verification. Companies enrolling ineligible participants or failing to satisfy the Trust's participation requirements may be cancelled from the program.