

I, _____, _____ of _____,
(Printed Name) (Title) (Company or Organization)

hereby certify that the information above is true and accurate.

OFFICER'S SIGNATURE DATE SIGNED: _____

IN WITNESS WHEREOF, the undersigned has affixed his/her signature this ___ day of _____, 200__.

***Certification must be submitted annually on or before January 31 to:
State of Connecticut Insurance Department
Attn: Life & Health Division
P O Box 816
Hartford, CT 06142-0816***

PEO HEALTH INSURANCE NOTICE FORM

IMPORTANT INFORMATION ABOUT YOUR HEALTH INSURANCE

Your employer has contracted with _____ (name of PEO) _____ to provide outsourced human resources functions as a Professional Employer Organization (“PEO”). A PEO provides integrated services to manage human resource responsibilities and employer risks for clients. The PEO delivers these services by establishing and maintaining an employer relationship with the employees at the client's worksite and by contractually assuming certain employer rights, responsibilities, and risk including health benefits administration. The PEO relationship involves a contractual allocation and sharing of employer responsibilities between the PEO and the client. This shared employment relationship is called co-employment, and under this relationship, you are considered to be not only an employee of _____ (name of small employer client company) _____ but also _____ (name of PEO) _____.

Because of this co-employment relationship, your health insurance is now provided to you as an employee of _____ (name of PEO) _____ rather than _____ (name of small employer group) _____. Because your health insurance is provided through a large employer group, defined in Connecticut as 51 or more employees, the small group employer insurance laws and protections no longer apply to your coverage. Specifically, this means the following:

For your small group employer:

Small group health insurance laws in Connecticut require insurance carriers who provide small group health insurance to Connecticut employers to provide that insurance on a guaranteed issue, guaranteed renewability basis with premium rates based on community rating. By establishing a co-employment relationship, the health insurance is no longer issued to a small group and those guaranteed benefits are lost. Should the PEO relationship be terminated, health insurance replacement will likely cost considerably more.

For the small group employee:

All aspects of the health insurance will be controlled by the PEO, including plan design, carrier selection, eligibility, plan termination, and regulatory compliance. Should the relationship between your small group employer and the PEO terminate, there could be issues with respect to continuation of coverage and transition of care, particularly for those confined on the date of termination. The current benefit plan design may not be available in the small employer market.

Please make certain you understand your rights and obligations as an employee receiving health insurance through a co-employment relationship. If you have questions, you should ask _____ (name of PEO) _____ and _____ (name of small employer) _____ for more information.