

To maintain affordable, quality benefit plans, Paychex – PEO and our partners have agreed to the specific employer contribution and participation requirements outlined below.

General Requirements – applies to all Carriers

- Client contributions, waiting period and plan selections may only be changed at initial offering or at annual enrollment. Maximum waiting period for all Carrier plans is 60 days.
- Client must offer a qualified medical plan for employees to participate in PEO FSA Medical Reimbursement Plan; employees may participate in PEO FSA Dependent Plan regardless of medical plan availability.
- All Major Medical Carriers have a \$10,000 life insurance policy through MetLife on the employee only level.
- All employees who work an average of 30 or more hours per week are eligible for benefits.
- Spouses who work in the same company count as one enrollment for participation purposes.
- A maximum of 4 plans can be offered to a group.
- Groups with under 10 eligible at initial UW must meet additional underwriting criteria
- Class codes must be based on bona fide business differences and treat all similarly situated employees equally.

Contribution Requirements – applies to all Carriers

- Minimum employer contribution is 50% of the lowest employee-only rate offered to employees*
 - As the coverage level increases, the employer contribution must be greater than or equal to the contribution for the previous coverage level.
 - If offering dual carriers, the minimum employee-only rate for client contributions will be by Carrier
- *Note: Health Care Reform may require different contribution requirements based on each client's situation. The client should consult their legal counsel and/or tax professional for additional guidance.

Medical Carrier Requirements

No Coverage/Limited Coverage States

- AK, AL and the Pittsburgh, PA area have limited plan availability.
- NM has no coverage.
- Clients in AK, NM, WI, and Pittsburgh can be automatically approved to self-retain, no information needs to be sent to UW for approval.

Aetna

- 55% of eligible employees are required to participate with a minimum of 5 enrolled (See note regarding under 10 in general requirements section)
- Available to clients in all states except AL, FL, HI, MA, NM, TX, and WI.
- EPOs and MCPOS plans where available – EPO not available in AK, HI, IA, ID, LA, MT, NM and SD
- National ACOs/JV in CA, CO, TX, NC, UT and AZ (select markets)
- If an employee does not live in an MCP area, they will be offered a PPO plan.
- Indemnity plan will only be offered if no other plan is available
- See state requirements chart on page 4 for MA plan limitations.
- HI Employees will be offered Kaiser.
- NY Clients in the following counties are auto-approved to self-retain: Broome, Cayuga, Chemung, Chenengo, Clinton, Cortland, Delaware, Essex, Franklin, Fulton, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Montgomery, Monroe, Oneida, Onondaga, Ontario, Oswego, Otsego, Schuyler, Seneca, Steuben, St. Lawrence, Tioga, Tompkins, Wayne and Yates
- **Metro NY** consists of the all counties in NY except the ones listed above, as well as NJ and CT. All employees are eligible for the Metro plans unless the employee doesn't live in an MCP network. If an out of state employee does not live in an MCP area, they will be offered the OOA PPO.

Florida Blue (Blue Cross Blue Shield)

- 50% of eligible employees are required to participate with a minimum of 5 enrolled (See note regarding under 10 in general requirements section)
- Available only to clients located in Florida.
- Employees outside Florida are only offered the PPO plans.
- Client must choose at least one PPO plan if they have employees outside of FL.
- See state requirements chart on page 4 for MA plan limitations.
- HI employees will be offered Kaiser.
- Employees located in SC & VA will be offered Aetna PPOs

Blue Cross Blue Shield of Texas

- 50% of eligible employees are required to participate with a minimum of 5 enrolled (See note regarding under 10 in general requirements section)
- Available only to clients located in Texas

- Employees outside Texas are only offered the PPO plans.
- Client must choose at least one PPO plan if they have employees outside of TX.
- See state requirements chart on page 4 for MA plan limitations.
- All employees' terminations, regardless of home state, must be reported within 3 business days of the end of the month or client will be responsible for all premiums for the benefit month until termination is reported.

Kaiser

- 50% of eligible employees are required to participate with a minimum of 5 enrolled (See note regarding under 10 in general requirements section)
- For clients whose carrier does not offer coverage in HI, employees in Hawaii are offered the Kaiser plan
- **Current Clients prior to 2/1/21 –**
 - Available only to clients located in CA, CO, GA, HI, and limited DC, MD, and VA metro areas
 - In CA, CO, DC, GA, MD and VA, Kaiser may be offered alongside Aetna
- **New Clients 2/1/21 and later –**
 - Kaiser may be offered alongside all Aetna states.
 - Available to employees located in CA, CO, GA, HI, and limited DC, MD, and VA metro areas
 - 50% of EEs must reside in a Kaiser network

Harvard Pilgrim

- 50% of eligible employees are required to participate with a minimum of 5 enrolled (See note regarding under 10 in general requirements section)
- Available only to clients located in Massachusetts
- Client with less than 51 employees must offer the same plans and contributions to all class codes
- HMO is available in MA as well as limited areas within CT, NH, NY, RI, & VT
- Employees located outside of these states are offered PPO plans
- Employees located in SC & VA will be offered Aetna PPOs
- Employees located in HI will be offered Kaiser.

Hooray Health

- Minimal Essential Coverage plans (MEC) are available to Applicable Large Employers (ALEs) who have 50 or more full-time equivalent employees.
- Hooray Health plans cannot be offered in the same class as major medical plans, however they may be offered to the same client in different classes.
- Hooray Health is not available to employees in the following states: HI, MI, NM, and NV,
- Available to part-time and full-time employees; no minimum participation requirement
- No contribution requirement for employee voluntary plans
- 50% employer contribution required for the lowest plan and coverage level on contributory plans
- The premium plan must be offered with the basic plan
- Terminations must be reported within 30 days
- The \$10,000 life insurance policy through MetLife **is not** available with Hooray Health plans

Dental Insurance Requirements

Aetna and MetLife Dental may not be offered to the same class code, however they may be offered to the same client in different classes.

Dental coverage is required to be offered to all eligible employees

Aetna Dental

- No contribution or participation requirements
- If offering the DMO plans, must offer the corresponding PPO plan.

MetLife Dental

- No contribution or participation requirements
- 2 PPO plans available

Vision Insurance Requirements

- Vision coverage is required to be offered to all eligible employees
- No contribution or participation requirements
- 2 plans available
- Discount plan available to all part time employees

State Mandated Disability Insurance Requirements

- Employees who work in New York and Hawaii will automatically be enrolled in STD state plans. No self-retaining STD plans or employee contributions allowed for either of these disability plans.
- NY Paid Family Leave Plan will be automatically added to any employee with a NY SUI state. 100% employee paid

MetLife Life and Disability Insurance Requirements

- Employers have the option to offer all employer paid disability plans, all employee paid disability plans, or a combination of employer and employee paid disability plans.
- If offering employer paid plans, only one (1) employer paid LTD and one (1) employer paid STD plan may be offered per class code.
- If a client offers short-term disability (STD or VSD) and long-term disability (LTD or VLD) plan together for a specific class code, the STD 13-week plan and the LTD 90-day plan must be offered together, or the STD 26-week plan and the LTD 180-day plan must be offered together. All full-time employees in that class code are automatically enrolled in the employer-paid plans, if applicable.
- If a client offers a combination of employee paid disability plans alongside an employer paid disability plan, the client may only offer one employer paid option within a class code. The client may offer all employee paid options that coordinate with the chosen employer paid option.
 - A client may not offer both employee paid and employer paid plans of the same benefit level. I.E. EE paid VSD 13 weeks and ER paid STD 13 weeks
- Clients can offer both VSD and VLD plans within a class code but the employee's individual VSD election will determine which VLD plan is available- VSD 13 week plans can be paired with VLD 90 day plans. VSD 26 week plans can be paired with VLD 180 day plans.
- Employees who are eligible for NY and HI disability are not eligible for the other STD or VSD plans. See state specific requirement chart on page 4-5. Employees where state cash programs are taken as a tax will be eligible for STD or VSD, but benefit payment may be reduced.
- Only one (1) employer-paid group life (GTL) plan may be offered per class code. All full-time employees listed in a class code where the client offers GTL, are automatically enrolled in GTL
- Voluntary, Spouse, and Child Life Insurance plans are automatically available to all full-time employees. Employee may only elect SPI and CHI if they are enrolled in any life insurance. SPI cannot be more than 50%. Employees may not be covered as both an employee and dependent.

MetLife Voluntary Insurance

- All plans are deducted post-tax and are 100% employee paid
- Accidental, Hospitalization, Critical Illness, and Pre-paid legal are packaged together.
- Clients must offer all plans within the suite.
- Accidental Insurance – High and Low Plan and all coverage levels available
- Hospitalization Insurance – High and Low Plan and all coverage levels available
- Critical Insurance – High and Low Plan and all coverage levels available; age rated plans
- Pre-Paid Legal Insurance – Enrolled Employee only coverage; cannot be unenrolled outside of Annual Enrollment
- Short Term Disability Insurance – Employee only coverage; cannot be unenrolled outside of Annual Enrollment
- Long Term Disability Insurance – Employee only coverage; cannot be unenrolled outside of Annual Enrollment
- Whole Life +Long Term Care – Employee only coverage; age rated coverage locked in at initial eligibility. Cannot be unenrolled outside of Annual Enrollment; can only be enrolled in at initial eligibility or at Annual Enrollment.

CHUBB Voluntary Cancer Advocate Insurance

- Plan is deducted post-tax and is 100% employee paid
- Employee only and EE+Spouse coverage available
- Age-rated plan based on employee's age
- Can only be enrolled in at initial eligibility or Annual Enrollment

SmartSolutions Marketplace Plus Plans

- Plans include virtual primary care, discount medical & wellness program, dental and vision discount program
- Available to all part-time employees
- Plans are 100% employee paid and are billed directly to the employee; no contributions through payroll

Miscellaneous Information

- **Self-Employed Individuals (SEIs) and K-1 Earners – Not taking W2 wages**
 - These employees must be in their own separate class code
 - All benefits offered must be 100% employer paid
 - These employees are NOT eligible for salary-based life insurance (i.e. 1x, 2x, etc. annual salary)
 - These employees are NOT eligible for Metlife STD, LTD, VLI, SPI or CHI
 - These employees are NOT eligible for MetLife Voluntary Products
 - These employees are NOT eligible for FSA
 - These employees may make posttax contributions to HSA by mailing contributions to PBA. They are not eligible for employer contributions.
- **NextGen EAP** – NextGen EAP is an employee-assistance program (EAP) offered to the entire PEO employee base, free of charge
- **BalanceCare** – BalanceCare is a health advocacy service provided to any employee enrolled in a PEO-sponsored medical plan
- **Working Advantage** – Working Advantage offers exclusive discounts for various goods and services to the entire PEO employee base, free of charge
- **Financial Wellness** – Financial Wellness program (including short term credit) offered through FinFit available free of charge to employees the client opts into the program
- **Health Savings Account (HSA)** – available through Paychex Benefit Account (PBA) to employees enrolled in a qualified high deductible medical plan; no additional cost to the client or employees
- **Flexible Spending Account (FSA)** – medical and dependent care available through Paychex Benefit Account (PBA) at no additional cost to the client or employees
- **Martin Insurance Group** – available to employees at least 64.5 years old for assistance with Medicare supplemental plans.
- **GotZoom** – available to employees to assist with federal student loan dept relief.

Carrier Mandates	
California	<ul style="list-style-type: none"> • State-mandated short-term disability (incl. as a tax) • State-mandated paid family leave (incl as a tax)
Connecticut	<ul style="list-style-type: none"> • State-mandated paid family leave (incl as a tax)
D.C.	<ul style="list-style-type: none"> • State-mandated paid family leave (incl as a tax)
Hawaii	<ul style="list-style-type: none"> • State-mandated short-term disability (employee(s) are automatically enrolled in Paychex the MetLife STD plan), 100% employer paid • FT employees must be offered medical coverage • Hooray Health is not available to HI employees
Maryland	<ul style="list-style-type: none"> • Employers that, on at least 50% of its working days during the preceding calendar year quarter, employed at least 2 but no more than 50 eligible employees, the majority of whom are employed in the state of Maryland, may not offer PEO medical plans or Hooray Health
Massachusetts	<ul style="list-style-type: none"> • State-mandated paid family leave (incl as a tax) • Ex-Spouse is eligible to be covered by the employee's medical plan, until one gets remarried • Plans that are allowed to be offered due to state mandates: <ul style="list-style-type: none"> ○ All carrier's HDHP plans can be offered alongside an HSA ○ FL Blue – PPO 03768, PPO 05781, PPO 05773, PPO 05782, PPO 05772, PPO 05786, PPO 03769 ○ Aetna National- EPO 1500-100, EPO 0-100-25, EPO 0-70-30, EPO 1000-70, EPO 1500-80, EPO 2000-70, MCP 1500-90, MCP 2000-80, MCP 1000-80, MCP 1500-70, MCP 750-90, MCP 2000-60, MCP 500-80, PPO 1000-80, PPO 2000-80, Indemnity 1000-80 ○ Aetna Metro- EPO 0-100-30, EPO 0-100-45, EPO 2000-80, EPO 1000-80, EPO 2000-60, MCP 1250-90, MCP 0-100-5, MCP 0-100-30, MCP 2000-100, MCP 1000-80, MCP 750-90, MCP 2000-80, PPO 2000-80 ○ BCBS TX- PPO B 810 250-20, PPO 51 500-10, PPO B 36 3800, PPO 25 3000-0 ○ Harvard Pilgrim- all plans meet state requirements ○
Michigan	<ul style="list-style-type: none"> • Hooray Health is not available to MI employees
New Jersey	<ul style="list-style-type: none"> • State-Mandated Short-Term Disability (incl as a tax) • Employer must offer an Aetna Dental PPO plan if they want to also offer the Aetna Dental DMO plan (High PPO must be offered with High DMO and Low PPO must be offered with Low DMO)
New Mexico	<ul style="list-style-type: none"> • Employees living in NM, regardless of client situs are not allowed to enroll in PEO medical, dental, or vision. Clients are approved to self-retain benefits for these employees only.
New York	<ul style="list-style-type: none"> • State-Mandated Short-Term Disability (employee(s) are automatically enrolled in Paychex MetLife STD plan), 100% employer paid) • State-Mandated Paid Family Leave (employee(s) are automatically enrolled in Paychex PFL MetLife plan), 100% employee paid
Nevada	<ul style="list-style-type: none"> • Hooray Health is not a qualified health benefit

Oregon	<ul style="list-style-type: none">• State-mandated paid family leave (incl as a tax)
Rhode Island	<ul style="list-style-type: none">• State-Mandated Short-Term Disability (incl as a tax)• State-mandated paid family leave (incl as a tax)
South Carolina	<ul style="list-style-type: none">• Harvard Pilgrim is not available to SC employees• FL Blue is not available to SC employees
Texas	<ul style="list-style-type: none">• All Texas employees participating in a benefit plan, the carrier must be notified within 3 days of the termination of an employee's plan.
Virginia	<ul style="list-style-type: none">• Harvard Pilgrim is not available to VA employees• FL Blue is not available to VA employees
Washington	<ul style="list-style-type: none">• State-mandated paid family leave (incl as a tax)

The Benefits Effective Date provided does not guarantee coverage. Benefits always start at the first of the month following the employee's wait period. Rather, Client understands the products and rates provided herein are, and remain, contingent, and subject to Client's continued compliance with the benefit eligibility requirements, which may be changed from time to time by PBS and/or its carriers, required to participate in the applicable benefit plans including, but not limited to, those eligibility requirements set forth in the Medical Fact Finder, the terms of which are incorporated herein by reference. If for any reason, Client cannot or does not, at any time, meet the applicable benefit plan eligibility requirements, or if Client's demographic information changes, or inaccurate information was provided to PBS, PBS can, at its option, withdraw the availability of such plan(s) to Client, or terminate the Agreement. Client understands that the rates above may include commissions payable to the PEO's broker(s) of record and/or benefit administration fees.