

Small Group Guidelines for 1099 Employees

A person who is paid by 1099 may be considered as an eligible employee for group insurance with the following documentation

- The 1099 employee must work full-time/year-round solely for the employer applying for coverage.
- The 1099 employee will be subject to the same waiting periods and all other group criteria (i.e., participation as would taxed employees although classes may be set up when the group is new).
- The employer contributes the same amount of money toward the 1099 employee premium as he does for his taxed employees.
- The employer agrees to extend the coverage offering to all 1099 employees in the same employment situation, including any future 1099 employees.
- The employer has a minimum (*employers may count themselves*) of two taxed employees enrolled in the plan and has tax documents showing a valid business.
- There must be a legitimate group maintained with two taxed employees on which to add the 1099 class.
- At least 50 percent of the enrolled employees should be taxed employees with not more than 50 percent of the employees paid by 1099.
- The 1099 employees must be covered under the current carrier.
- Please note 1099 employees are not eligible for Life benefits.

