



# Addendum to New Business Input Documents Information Needed to Support Required Medical Loss Ratio Reporting under Health Care Reform Law

**Please provide us with your average number of employees in 2012.**

This information is needed for Aetna to comply with Federal law. We need to know the total number of all employees you had in 2012, even if you were not covered by Aetna in 2012. This information will help to determine whether you will be owed any rebate for your 2013 medical plan premiums. If you are, rebates will be paid in 2014.

**Providing required information now may help you and your employees.**

Under the law, a medical plan must spend most of its premium on medical care and activities that improve quality. The health care reform law (the Affordable Care Act) sets rules on the minimum percentage of premium that plans must spend on these costs each year. If a plan does not spend the minimum amount on these costs, it must give policyholders premium rebates. This rule is known as the minimum Medical Loss Ratio (MLR).

The minimum required is different for plans that the government considers Small Group and Large Group. We need to include your plan in the correct group when we report information to the federal government and to determine if you will be owed a premium rebate.

The law defines the number of employees as “the average number of employees employed by the employer’s company during the preceding calendar year.” This generally means persons for whom the company issues a W-2. This includes full-time, part-time, and seasonal workers who may or may not have been eligible for your medical plan or covered by Aetna in 2012. “Preceding year” means that we will use your 2012 employee count to determine if your group is a Small Group or a Large Group, supporting the required reporting and payment of rebates that will happen in 2014 and that are based on 2013 medical cost and quality activity expenditures.

**How to calculate the average number of total employees\***

To calculate average number of employees for the year, determine the average number of employees for each month in 2012, add them together and then divide the total by twelve. In the example below, 253 / 12 = 21. Round up or down to the nearest whole number.

Month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Average
Full Time	15	14	14	15	14	15	16	16	15	14	14	14	
Part Time	5	6	5	5	6	6	7	7	5	5	5	5	
Seasonal	0	0	0	0	0	2	3	3	2	0	0	0	
<b>Total</b>	<b>20</b>	<b>20</b>	<b>19</b>	<b>20</b>	<b>20</b>	<b>23</b>	<b>26</b>	<b>26</b>	<b>22</b>	<b>19</b>	<b>19</b>	<b>19</b>	

\*Subject to change based on future regulatory guidance

If your business is aggregated with one or more other businesses and treated as a single employer under subsection (b) controlled group corporations, (c) partnerships, proprietorships, etc., under common control, (m) employees of an affiliated service group, or (o) other regulations of section 414 of the Internal Revenue Code, please provide the combined total number of employees for all businesses that are included in the “single employer group” under the Internal Revenue Code.

Please enter your calculated average number of employees for 2012 in the box below.

Average Employees in 2012 (whole numbers only; please print legibly)

**Sole Proprietorship**

Please check here if you are a sole proprietor \*\*

\*\* For purposes of this request and in accordance with Federal guidance, you are a sole proprietor if:

- (1) Your trade or business is owned by you, or by you and your spouse; and
- (2) You have no non-spouse employees enrolled in coverage.

If you are a sole proprietor\*\* and the only enrolled employees are you and/or a spouse employee, please enter **0** in the Average Number of Employees in 2012 box and check the sole proprietor box in addition to completing the Certification on the following page.

**Certification** *(It is important that you complete this portion and return with your response so that our records will be complete.)*

By signing below I certify that:

- I am an authorized representative of the plan(s) for which this information is being provided.
- The information I have provided is true and correct.
- Aetna may rely on the responses I have provided.

**First Name (Please Print):**

**Last Name (Please Print):**

**Title:**

**Company Name:**

**Email Address (optional):**

**Signature:**

**Today's Date:**

*Aetna reserves the right to audit all information provided. Providing false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company, may violate applicable insurance statutes.*