

# Data Collection Survey: Required documentation checklist and explanation of employee counts

In addition to the Data Collection Survey, please submit:

- Current Employer's Quarterly Wage/Tax Report (Form UIA 1028)**
  - Blue Cross Blue Shield of Michigan and Blue Care Network need this report to determine your group rate and verify your employee eligibility.
  - For each employee, please use the following to indicate employment status on the report:
    - PT for part time
    - NH for new hire
    - SEAS for seasonal
    - TERM for terminated
  - As an alternative to the report, you may submit a payroll summary with employee names, gross wages and Social Security numbers.
- Verification of your Michigan headquarters, if your group has locations out of state**
  - Provide corporate tax documents or proof of a recent filing with the Michigan Department of Licensing and Regulatory Affairs.
- Confirmation of multiple locations, if applicable**
  - Complete the Multiple Location/Common Control Survey. To obtain a copy, please contact your Blue Cross or BCN agent or sales representative.
- Verification of multiple companies under common control, if applicable**
  - Provide a letter from your group's CPA or tax attorney on his or her letterhead certifying:
    - Your companies meet the Internal Revenue Service's definition of a controlled group
    - The relationship between the companies
  - Complete the Multiple Location/Common Control Survey. To obtain a copy, please contact your Blue Cross or BCN agent or sales representative.

## CALCULATING EMPLOYEE COUNTS

Within the survey, you'll need to provide your group's:

- Eligible employee count
- Full-time equivalent, or FTE, employee count
- Medical loss ratio, or MLR, total employee count
- Number of total eligible employees
- Number of total active employees not enrolled in the Blue Cross or Blue Care Network plans

The online survey has easy-to-use calculators for these counts. If you're filling out a paper copy of the survey, the back side of this page has more information and charts to help you calculate them.

We're required under the Affordable Care Act to provide both the number of employees and the number of FTE employees. If your group only has full-time employees, both numbers will be the same.

### **Eligible employee count**

Eligible employees are defined as full-time employees with a normal work week of 30 or more hours. You may choose to include those working 17.5 to 30 hours, as long as the eligibility criteria are applied uniformly without regard to health status.

### FTE employee count

To calculate the full-time equivalent employee count, using data from the previous calendar year:

1. Determine the number of:
  - a. Full-time employees for each month (must work at least 130 hours per month)
  - b. Full-time equivalent employees for each month (must work between 120 and 129 hours per month)
  - c. Hours that all other employees worked (must be less than 120 hours per month). Divide the amounts in this row by 120 to convert hours to number of employees.
2. Add together the number of full-time employees, full-time equivalents and all other employees for each month.
3. Add the monthly totals together to get the annual total.
4. Divide the annual total by 12. The result is your full-time equivalent employee count.

Employees who have medical coverage under TRICARE or certain Veterans Administration programs are excluded from full-time equivalent employee counts.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
Full-time employees													
Full-time equivalent employees													
Hours worked by other employees / 120													
<b>Total</b>													<b>Annual total / 12 = FTE employee count</b>

### MLR employee count

This is the monthly average of employees employed on business days during the previous calendar year. In accordance with federal law and regulations, sole proprietors and their spouses should not be included in the employee count.

To calculate the MLR employee count:

1. Find the average number of full-time, part-time and seasonal employees per month.
 

To do this:

  - a. Count the number of each kind of employee employed on business days for every month.
  - b. Add these together to get the total number of employees for each month.
  - c. Add the monthly totals together.
  - d. Divide the annual total by 12.
2. Round the average down to the nearest whole number.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
Full-time employees													
Part-time employees													
Seasonal employees													
<b>Total</b>													<b>Annual total / 12 = MLR employee count</b>