

## WISCONSIN CONTROLLED GROUP FORM

This form should be used when the following has been identified:

- There is ownership of more than one company
- A parent/subsidiary relationship exists

*For your convenience, the definition of a controlled group can be found on page two this form.*

### TO BE COMPLETED BY THE EMPLOYER OR LEGAL REPRESENTATIVE OF THE COMPANY

- According to IRS code section 414, the following related companies are considered to be a single employer and should be combined under one insurance plan
- According to IRS code section 414, the following related companies are **NOT** considered to be a single employer and should not be combined under one insurance plan

|                            |   |                             |
|----------------------------|---|-----------------------------|
| Company A: _____           |   | Number of employees working |
| Locations (s): _____       |   | at least 30 hours per week: |
| Owners/Partnerships: _____ | % | _____                       |
| _____                      | % |                             |
| _____                      | % |                             |

|                            |   |                             |
|----------------------------|---|-----------------------------|
| Company B: _____           |   | Number of employees working |
| Locations (s): _____       |   | at least 30 hours per week: |
| Owners/Partnerships: _____ | % | _____                       |
| _____                      | % |                             |
| _____                      | % |                             |

|                            |   |                             |
|----------------------------|---|-----------------------------|
| Company C: _____           |   | Number of employees working |
| Locations (s): _____       |   | at least 30 hours per week: |
| Owners/Partnerships: _____ | % | _____                       |
| _____                      | % |                             |
| _____                      | % |                             |

Where your company's Chief Executive Officer (CEO) office? \_\_\_\_\_

Name of umbrella company (if applicable): \_\_\_\_\_

Do you share employees between companies? Yes: \_\_\_\_\_ No: \_\_\_\_\_

Please list additional companies or pertinent information: \_\_\_\_\_

Comments: \_\_\_\_\_

As the Employer/Legal Representative of the company, I certify the information provided above is complete and accurate. I have conducted reasonable diligence in obtaining the necessary information. **HealthPartners reserves the right to re-evaluate the rate, the issuance of a proposal, and/or take other appropriate action, should the information be found to be different than stated above.**

**Printed Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

## Definition of the Most Common Type of Controlled Group Entities

Wisconsin Small Employer Insurance reform law (632.745 #6 (b)) states that all persons treated as a single employer under subsection (b), (c), (m) or (o) of section 414 of the Internal Revenue Code of 1986 shall be treated as one employer. If two or more companies do not meet the criteria of a controlled group, then they are unable to be insured together. Companies may be considered a controlled group even though they have separate federal tax ID numbers and separate payroll.

Below is the definition of the most common type of controlled group entities. This is taken from IRS code section 414 and section 1563. [For those Partnerships, Limited Liability Corporations or Limited Liability Partnerships where there is no stock ownership but Partnership interest, follow the Brother-Sister controlled group definition for applicable percentages of ownership.]

**Parent-Subsidiary Controlled Group** – Means one or more chains of corporations connected through stock ownership with a common parent corporation if:

- a) Stock possessing at least 80% of the total combined voting power of all classes of stock entitled to vote are at least 80% of the total value of shares of all classes of stock of each of the corporations, except the common parent corporation is owned by one or more of the other corporations; and
- b) The common parent corporation owns stock possessing at least 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of share of all classes of stock of at least one of the other corporations, excluding, in computing such voting power or value, stock owned directly by such other corporations.

**Brother-Sister Controlled Group** – Means two or more corporations if the same five or fewer persons who are individuals, estates or trusts own stock possessing:

- a) At least 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of shares of all classes of stock of each corporation; and
- b) More than 50% of the total combined voting power of all classes of stock entitled to vote or more than 50% of the total value of shares of all classes of stock of each corporation, taking into account the stock ownership of each such person only to the extent such stock ownership is identical with respect to each such corporation.