



For use when there are multiple companies owned or when a parent-subsidary relationship exists

Note: Business owners must work for one of the companies they own in order to be eligible as an employee. Please include the owner in the employee count of only one company under which they are employed

Company A:	_____	Number of employees
Locations (s):	_____	working at least 20 hours per
Owners/Partnerships:	_____ %	week: _____
	_____ %	
	_____ %	

Company B:	_____	Number of employees
Locations (s):	_____	working at least 20 hours per
Owners/Partnerships:	_____ %	week: _____
	_____ %	
	_____ %	

Company C:	_____	Number of employees
Locations (s):	_____	working at least 20 hours
Owners/Partnerships:	_____ %	per week: _____
	_____ %	
	_____ %	

☐ The companies listed above are considered "Affiliated Service Groups"

Do you share employees between companies? _____

Where is your main site of operations? _____

Location of CEO: _____

Name of your umbrella company if applicable: _____

Additional companies: _____

Other pertinent information: _____

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

As ☐ an Officer of Company, ☐ CPA for Company, ☐ Legal Counsel for Company, I certify that 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 it find the information for the companies is different than stated above.**

Printed Name	Signature	Officer of Company	Date
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Printed Name	Signature	CPA or Attorney	License Number	Date
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Definition of the Most Common Type of Controlled Group Entities

Minnesota Small Employer Insurance reform law (62L.02 subdivision 26) states that entities that are treated as a single employer under section 414 of the federal Internal Revenue Code are considered a single employer for purposes of determining the number of current employees. 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 Internal Revenue 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 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 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.

Affiliated Service Groups – An Affiliated Service Group is one type of group of related employers and refers to two or more organizations that have a service relationship and, in some cases, an ownership relationship, described in IRS section 414(m).